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DEA OVERSIGHT AND BUDGET AUTHORIZATION FOR FISCAL YEAR 1986

HEARING

BEFORE THE

SUBCOMMITTEE ON SECURITY AND TERRORISM

OF THE

COMMITTEE ON THE JUDICIARY
UNITED STATES SENATE

NINETY-NINTH CONGRESS

FIRST SESSION

ON

DEA OVERSIGHT AND BUDGET AUTHORIZATION FOR FISCAL YEAR 1986

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DEA OVERSIGHT AND BUDGET AUTHORIZATION FOR FISCAL YEAR 1986

TUESDAY, MARCH 19, 1985

U.S. SENATE,
SUBCOMMITTEE ON SECURITY AND TERRORISM,
COMMITTEE ON THE JUDICIARY,
Washington, DC.

The subcommittee met, pursuant to notice, at 9:30 a.m., in room SD-366, Dirksen Senate Office Building, Hon. Jeremiah Denton (chairman of the subcommittee) presiding.

Present: Senators McConnell, Biden, and Leahy.

Staff present: Joel S. Lisker, chief counsel and staff director; Garry Phillips, Presidential management intern; Charles Sullivan, LEGIS fellow; and Fran Wermuth, chief clerk.

OPENING STATEMENT OF HON. JEREMIAH DENTON, A U.S. SENATOR FROM THE STATE OF ALABAMA, CHAIRMAN, SUBCOMMITTEE ON SECURITY AND TERRORISM

Senator DENTON. This hearing will come to order.

Good morning. I am pleased to welcome you to the subcommittee's oversight and budget authorization hearing for fiscal year 1986 for the Drug Enforcement Administration. This morning we will hear testimony from the new Acting Administrator of DEA, Mr. John C. Lawn, and he is being reinforced by Messrs. Hogan, Westrate, and Buzzeo. A separate closed hearing will be conducted on March 21, 1985, to consider matters that cannot be discussed in open session.

Before I go on, I want to mention we expect Senator Leahy from Vermont to come later, and we are very glad to see and to welcome Senator Biden, who is an old friend and a very valuable contributor and mover in this area.

The Drug Enforcement Administration has recently been much in the news because of the kidnaping and murder of Special Agent Enrique Carmarena in Mexico, and the news that Colombian drug traffickers have placed a price on the heads of the DEA leadership. DEA, an agency under siege, is the lead law enforcement agency in the effort against illegal drugs. DEA is responsible for providing central leadership, management and coordination of intelligence and investigative functions for the suppression of illegal drugs. It is the responsibility of DEA to carry out the war aqainst America's No. 1 crime problem—illicit drugs.

We continue to receive information suggesting that a strong bond had been forged between drug traffickers and terrorists. Tes-

timony provided to previous hearings has established ties among the Cuban Government, terrorist organizations, and the drug market. Recent efforts of the subcommittee have developed additional information that we believe shows direct linkages among terrorist organizations, the Cuban Government, the Nicaraguan Government, and drug traffickers. The subcommittee will continue its efforts to develop additional information on that dark coalition. Of course, the drug Mafia is in all this. Interestingly, the terrorists used to kidnap the drug traffickers and rob or extort them. Now, that cooler heads have prevailed, those groups are working together—deliberately and effectively.

Some officials in the administration believe that the use of drugs, especially among our youth, has peaked. Other officials, however, believe that no firm evidence exists to support that belief, and still others say we may be losing the war. I think we should commit ourselves to winning. We must not give up our efforts to defeat the criminals and terrorists whose activities ruin the minds and bodies of so many of the young people of our Nation.

No one knows the full price that illegal drugs exact in America. The costs to health, family, and moral fiber are incalculable. The dollar value of tangible losses are, at best, guesses. A recent study for the National Institute on Drug Abuse by the Research Triangle Institute places the cost for lost productivity, medical expenses, and crime at $46.9 billion per year. Mr. Mullen, the former Administrator of DEA, stated that the estimates for the dollar value of the drug trade in 1980 were as high as $79 billion or even more. Even if that figure is high, think what it represents in terms of lost lives and productivity, in broken minds and bodies.

If we could stop drug trafficking, we could remedy many of our social ills and turn the savings into worthwhile endeavors. I am not satisfied with our progress thus far. That is not meant as a criticism of DEA, because I know that DEA is not satisfied either.

The DEA has waged and is waging a valiant war on drugs. I am thankful for all the brave men and women in the war on drugs. They lay their lives on the line daily. They labor under threat of violence every day. Many of them have been shot, kidnaped, and killed. The initiatives that DEA stimulated in Colombia in 1984 are promising and noteworthy. The Government of that country undertook efforts that resulted in severe restrictions on the illegal drug business there.

DEA continues to do a masterful job in its various antidrug programs here at home. It participates fully in several joint law enforcement efforts including Organized Crime Drug Enforcement [OCDE]. I congratulate you and the men and women who work with you, Mr. Lawn.

I have met men who have gone to Colombia; one, our previous Ambassador who left there in fear of his life. His best Colombian friend was killed, although the automobile in which that friend was driving was guarded by an escort of armed vehicles. It is a siege you are in, and I admire the bravery exhibited by you and your personnel.

A report prepared by staff members of the House Committee on Foreign Affairs reported that significant, positive steps had been taken by some of the countries in South America—Colombia in

particular. None of the countries, however, is making a serious concerted effort to reduce or eliminate illicit narcotics production and trafficking.

The same report listed several deficiencies in our overseas antidrug programs, but those deficiencies were almost always the result of insufficient funding. For example, it identified a need for personnel increases, secure telephones, and other equipment. That raises a question that I hope you will address later in this hearing, Mr. Lawn. Are we making significant progress with foreign governments? If not, how could our resources and efforts be better spent?

I am concerned not only about the severely debilitating effect of drug abuse on our country but also about the priority for the use of the resources we have assigned to combat it. Many of my colleagues and I have identified drug abuse as the Nation's No. 1 crime problem, but we spend, for example, 3½ times as much on foreign economic and financial assistance as we do on fighting drugs. Nationwide, the Law Enforcement Coordinating Committees have identified drug trafficking as their highest priority, yet we spend 2½ times as much on space flights. The President stated: "We intend to conquer drug abuse and ensure a safe and productive future for our children and our Nation," yet we commit 3½ times as much money to air transportation.

I am not criticizing those efforts because they are worthwhile. But there is a question in my mind, in this Senator's mind, as to the balance between that which the Federal and State Government's spend on the various functions of governing our Nation. We, in the Federal Government, are supposed to, No. 1, provide for the common defense. In other words, the security of this Nation is our responsibility in Washington, DC, No. 1.

We are supposed to promote the general welfare, and the States have primary responsibility with respect to services to people and so on, and I am afraid that we have gotten that out of kilter. I hope we get it back in kilter.

Consider for a moment that we spend $4.6 billion for community development but only one-third that much to combat the problem that destroys so many communities. We spend $1.5 billion to combat narcotics, but we put $29 billion into an education system severely injured by drugs. This is from the Federal point of view. The Federal Government's share in education used to be very, very small compared to what it is now. The Federal Government spends $35 billion on health care, but only $1.5 billion to deal with a major threat to good health, indeed, to life itself.

If the Federal Government does not deal with the problem effectively as a security matter, in my view, it is missing the boat.

It is a security problem in a sense, particularly when the drug money is being used to finance terrorism or in an effort ill intended by foreign governments. What is incidentally attained by the Mafia through crime and corruption works to the advantage of some foreign governments to intentionally destabilize our society.

So I believe that we could save more for the general welfare were the Federal Government to look more closely at the priorities that it should assign between providing for the common defense and promoting the general welfare.

I believe something is wrong with our priorities when we are trying to fight a forest fire with a glass of water, and that not only pertains to the drug problem but I think some other security problems.

During the past year, the Congress passed legislation that will help in the fight against illegal drugs. The major piece is the Comprehensive Crime Control Act of 1984, which I strongly supported. I am anxious to hear Mr. Lawn's comments about the act and to hear his view about the need for further legislation.

I would like to take this opportunity to welcome you, sir, in your capacity as Acting Administrator of the Drug Enforcement Agency, and you know that, as Bud Mullen's successor, you have a tough act to follow, and he left under disconcerting circumstances, with about $350,000 on his head.

Mr. Lawn is a former Deputy Administrator of DEA and certainly no stranger on Capitol Hill. I welcome you, sir. I wish you the best of luck. I look forward to a good and productive relationship.

Before I introduce the other two gentlemen here and ask them if they care to make opening statements, allow me to present for the record some information that I find startling.

Every day we read about the war on drugs. We see it on television. We are constantly reminded of the problems illegal drugs cause in our society. This problem was recently highlighted, as I mentioned, by the death of Special Agent Enrique Camarena.

Now, what are we doing about that in terms of putting our money where our mouth is. Imagine for a moment a pie chart representing the Federal budget. What slice of that pie would you imagine is donated or rather allocated for the total administration of justice in this country?

By this, I am including all Federal law enforcement agencies, all the Federal courts, their judges and prosecutors, and all the money we put into the Federal prison system. How large a slice do you think that would be?

Well, here is the fact of the matter. It is less than seven-tenths of 1 percent. Of that amount, about 23 percent or less than two-tenths of 1 percent of the Federal budget goes to fight the war against drugs. Of that amount, as you can see, very little makes its way to the Drug Enforcement Administration, the lead agency in this battle. Indeed, were we to put that line to scale, it would be invisible on that sized circle.

So we devote many times over the amount we spend for international affairs, space flights, income security, and foreign aid than we do for the war on drugs. I note that in passing, we spend almost three times as much on international affairs than we do for the total administration of justice. It is the proportion of those things that might be questionable, considering what drugs are doing to us at this point.

We have another chart showing how, over the past 10 years, the portion of the budget set aside for the administration of justice has lost ground to other programs. While the Federal budget rises, we are asking our law enforcement agencies to do more with less. This is hard to understand in light of the increasing drug problem, the continuing crime problem in this country. And I believe that we should begin to rethink our priorities. There is a lot of word going

around both Houses now about the rising cost of security appropriations.

Now, in security, if you want to be broad about it, you can include the intelligence organizations, the Drug Enforcement Administration, the State Department and DOD, as a gross slice of that. And just to give you an example, if you have the chart that shows what has been going on with respect to the growth in the Federal Government, and defense spending which is very much a question as we vote today, and on other days regarding the budget. There it is.

National defense in the latter years of Vietnam started to decline, at the bottom of the curve there; during the Carter administration, it occurred to President Carter that we were getting in deep trouble. He started a slant up which continued under President Reagan, and now we are talking about leveling that off or decreasing the slope of that line, when the other line is going up at that kind of a rate.

Were I to put social programs on there, you would see, and back that down to President Kennedy's day, you would see the obvious anomaly, much misunderstood today—namely, that social services accounted for one-quarter of the Federal budget in Kennedy's day, and today it counts for one-half of the Federal budget.

Defense in Kennedy's day accounted for one-half the Federal budget and, in heartless Ronald Reagan's time, accounts for one-quarter. It has gone from one-half the cost of our budget total to one-quarter in a time, which I think, as characterized by the drug situation, in security threat terms, we are hardly in a situation which would permit us to halve it.

I did not mean to diverge, but the votes of today and tomorrow—although I am only expressing one person's opinion, I think the country's survival is really on the line as we deal with these trends and I welcome others' opinions, but I feel as a matter of duty I should express mine.

On the occasion of the subcommittee's first hearing of the 99th Congress I want to welcome a new member to the subcommittee, who just showed up, Senator Mitch McConnell of Kentucky. He was a judge and chief executive of Jefferson County, KY, and in that job led the fight against child sexual abuse and exploitation and the particular vulnerability of runaway and abducted children. He has a deep commitment to and record of experience in law and order; a commitment which will make him an able member of the subcommittee. And we want to welcome you, Senator McConnell. Thank you for coming this morning.

Senator MCCONNELL. Thank you, Mr. Chairman. I appreciate those kind remarks.

Senator DENTON. Senator Biden is particularly notable not only because of his experience and leadership formerly in a titled role, but he is the ranking member of the full committee, of the full Judiciary Committee. And it is always a pleasure to learn from his approaches to these problems. And occasionally to, on some subjects, engage in argumentation, which has always been pleasant and fair and many times informative, and he has changed my point of view on many occasions. I would like to ask Senator Biden at this point if he cares to make an opening statement?

OPENING STATEMENT OF HON. JOSEPH R. BIDEN, JR., A U.S. SENATOR FROM THE STATE OF DELAWARE

Senator BIDEN. Thank you.

I have a brief opening statement, and I would like to ask unanimous consent that my statement be entered into the record.

Mr. Chairman, I'd also like to welcome Jack Lawn who I guess is becoming and old hand at testifying up here on the Hill. This is your second appearance in a week, isn't it?

Well, Mr. Lawn, you have the dubious distinction of filling in for an individual who, when he left, had a $350,000 price tag place on his head by narcotics traffickers. Let me say a word about Bud Mullen. We didn't always agree on all the issues involved in our Federal drug enforcement effort, but I appreciated his candor and found him to be tremendously dedicated to the Drug Enforcement Program. I hope that you and I will be able to develop a similar relationship, Mr. Lawn.

There are many issues to cover today and I recognize that it might be a little unfair to expect you to have all the answers in your second week as Acting Director. Fortunately, as the second in charge at DEA for the past 2 years you have had the opportunity to see firsthand what needs to be done. I will be interested in what direction you would like to see the Drug Enforcement Administration go. Should there be a complete merger with the FBI? How can you improve training and security for foreign personnel to avoid future abductions? How well are you using the revised forfeiture of asset tools Congress gave you with the passage of the crime bill in October? These are all areas of interest to me, and I will be interested in your comments.

As I told Mr. Mullen, the agency has my support and I will do my best to see you are adequately funded. As you have stated, DEA is in war with drug traffickers, and the recent murder and death threats are a clear indication that you need the tools to carry this out.

For this support I would hope that you will keep this committee informed of not only your successes but also the areas that need improvement. There are no easy answers or quick victories in this drug war, as every President has learned. It is one thing to declare a war and another to carry it out. You and your agents know firsthand what you are up against now. The President and Congress must give you the support and tools you need to have a fighting chance.

I would like to expand on my opening statement by saying that although Senator Denton and I would probably disagree on some of his characterizations of the relative changes in budget priorities, we have seldom, if ever, disagreed in the link between drug abuse and the decay of the moral fiber of this country, drug trafficking and international terrorism, and the link between drug trafficking as an ominous threat to our national defense.

Smuggling cocaine and heroin across the border is as lethal as smuggling guns into this country. It kills as many people. In fact, it kills a great deal more people and it has much greater impact upon our economy and upon our standard of living in this country.

Mr. Lawn, I welcome you, not to the battle, because you have been in the middle of the battle for a long time. All of us up here who sit behind this bench know that the No. 2 person in our office probably is more responsible than we are for the functioning and the operation of our offices on many occasions. You have been in the position of leadership within DEA for some time and you are now the No. 1 man, which means that in addition to being able to delegate more than you were able to before, you are the fellow who takes all the flack.

And I suspect that you are going to find a relatively harmonious relationship with this committee. We disagreed on occasion with Bud Mullen, at the full committee and at the subcommittee, but the one thing that he never had a problem with is where Senator Denton and I agree, and that is we are allocating much too small a portion of our financial resources in the fight against crime and in the area of drugs.

To sound like a broken record, the fact of the matter is we can make all the promises we want, we Senators from behind this bench, as to what we are going to do in New Castle County, DE, or Jefferson County, KY, or in Birmingham, AL. In fact, we cannot do much, because 94 percent of all the violent crime committed is outside the jurisdiction of the Federal Government.

There is one place that we can and we are uniquely suited to be able to have an impact, and that is the area of drug trafficking. Because if all the statistics are correct, somewhere between 48 and 53 percent of all the violent crime and property crimes in this country are related directly or indirectly to drug abuse.

It costs an awful lot of money to maintain a habit, and unless your father happens to have access to the bank vault, you have to get it somewhere. And usually you get it through illicit means.

And so, we can, in fact, have a significant impact, if we were to have a more significant commitment. And I am not speaking of you, Mr. Lawn, because obviously your commitment is real, and obviously your commitment is deep. In the process of developing what will be a record under your administration of DEA, you are going to be faced with a number of problems, the same problems that your predecessors had. And, it seems to me, a number of opportunities as well as dilemmas.

It is a changing field. It is a changing field not with new problems like designer drugs and changing organized crime elements that are involved in drug trafficking.

We have, since last year, a new law on the books which is going to take some time in implementation and I would guess is going to ultimately require an Executive order. This law delineates one person, the Attorney General, as the so-called drug czar. He will be the guy Congress will look to for coordination of our drug strategy.

Also, there is continuing rumblings at the full committee and the subcommittee and within your organization about whether or not your former employer—the FBI—is going to become your new employer again if DEA is subsumed within the FBI.

There is the question of the whole notion of whether NNBIS makes any sense and whether or not your predecessor's criticisms were as warranted as I believe they were.

Congress will be watching closely how things are reorganized, under the drug czar. Ed Meese has a phenomenal job and a phenomenal opportunity before him. I particularly am interested in the whole question of whether or not we are going to enforce the new forfeiture law, and the whole question of increasing seizures and forfeiture of drug trafficker assets.

With respect to your budget I am disturbed to see that, in fact, since 1980, the number of workyears, if you calculate it that way, of your agents operating abroad, has diminished rather than increased.

There is also the question as to whether we need to do something about the so-called Mansfield amendment, which says that you folks should not be directly involved with arrests in a foreign country. Most people do not realize, in my view, that is designed to protect you rather than limit you.

And there are those now, who, I think, in an effort to help you deal with drug abuse, maybe wishing to give you authority that could be more damaging to you than helpful. But nonetheless, it warrants being reconsidered, the old Mansfield amendment.

And the whole question of whether or not we are going to put in the arena for discussion, an area that we have essentially moved out of, and that is prevention and treatment. I am becoming—having been involved in this thing deeply now for 9 of my 13 years as a Senator—I am becoming more and more skeptical, not about your collective abilities—I am continually impressed by the abilities of the women and men that you have out in the field; they are among the best people that I have ever met inside or out of government—but I am becoming almost despondent about the ability of producers to increase in ever phenomenal quantities the availability of coke, heroin, and dangerous drugs that flood the market.

I am not at all sure that the director of law enforcement in the State of Florida is not correct when he suggests that the reasons the increased catches are up, the reason why you are able to beyond your great abilities, come up with major new busts, is that, he points out, that the value of coke on the street has gone from $65,000 per kilo, down as low as $14,000 per kilo and now moving back up in the low 30's. That has to do with quantity. And he suggests that, just by the nature of the law of averages, quantities have increased so drastically that, in fact, the busts are going to have greater volume, whether or not it reflects a greater percentage.

And so, I guess what I am trying to say, and I will cease at this point, Mr. Chairman, is that your job is phenomenally large. We, in government, should not overpromise. We have had a tendency to do that. I will acknowledge that it is mostly my party that has done the overpromising over the last 15 years on a whole range of subjects. But I am a little worried that the opposition party maybe overpromising a little bit.

The President says that he is going to end drugs. Well, I do not know where he has been. We will not see that under his Presidency or probably our lifetime. And I guess all that I want to say to you, in conclusion, is that we stand ready and I, as a ranking member of this committee, stand ready to do whatever you ask us

to do within the constitutional limitations that are thrust upon all of us.

I have found the request that your Agency has made to be overwhelmingly fair and, quite frankly, not as much as you need. And so, we are going to—I for one and I suspect the chairman of the subcommittee, will put you in a difficult position, as Mr. Regnery from the Juvenile Justice Program at Justice was put in when he and I discussed—we met on a matter where we jointly addressed a group not long ago, Mr. Chairman, and he said, and I am paraphrasing: He said, the most difficult part of my job is having to sit in my Agency and recognize how broad and sweeping the problem is and then have to come up on the Hill and tell you folks we do not want any more help.

And I suspect that is going to be one of the most difficult parts of your job. Rest assured we are going to ignore you whenever we can, when you tell us that you have all you need, because I do not believe that you have all you need. And I think the real key is going to be Ed Meese in all of this because the way in which we coordinate this drug effort, under the drug czar, whether that works or not, is going to impact significantly on your abilities.

So I look forward to exploring today some of these areas with you, but let you know that, as you know, we will be seeing a lot of one another and it will not be in a hostile and unfriendly attitude. I mean, it is one where we want to help and sometimes, it is a little bit like, when you know—I used to always worry when my father would say to me, look, son, I am doing this for your own good, I want to help you. Well, that is a little bit of the position that we have found with your Agency over the last 5 years. And so, recognizing your limitations and what you could ask for, just know that although the transom in my office no longer works, it is broken, all that you have to do is to knock on the door, and send someone up and let us know what you really need, because we are here to give it to you.

Thank you, very much.

Senator DENTON. I would like to thank the distinguished Senator from Delaware, because the bipartisanship which he indicated we share on this is real. And I hope that the bipartisanship on the part of all of us in the Senate grows with respect to other security-related matters.

I will now call upon Senator Mitch McConnell of Kentucky, for whatever comments he would care to make.

Senator McConnell.

OPENING STATEMENT OF HON. MITCH McCONNELL, A U.S. SENATOR FROM THE STATE OF KENTUCKY

Senator MCCONNELL. Thank you, Mr. Chairman.

I do not have an opening statement, other than to point out that having served a couple of years as a Deputy Assistant Attorney General for Legislative Affairs at the Department Justice during the Ford administration I had some familiarity with the work of DEA at that time. And I am looking forward, as a member of this subcommittee, to familiarizing myself once again with your fine work, other than simply with a newspaper reading of it.

Unfortunately, as I have learned very quickly in the Senate, everybody meets at the same time. So if you see me steal away in the next few moments, please be assured that it is not a lack of interest, but rather an attempt to cover all the bases this morning.

So with that overview, I yield the floor back to the chairman, Senator Denton.

Senator DENTON. Thank you, Senator McConnell.

Mr. Lawn, if you care to preface your remarks by introducing your colleagues, please do so.

STATEMENT OF JOHN C. LAWN, ACTING ADMINISTRATOR, DRUG ENFORCEMENT ADMINISTRATION, U.S. DEPARTMENT OF JUSTICE, ACCOMPANIED BY DAVID WESTRATE, DEPUTY ASSISTANT ADMINISTRATOR FOR OPERATIONS; RONALD BUZZEO, DEPUTY DIRECTOR, OFFICE OF DIVERSION CONTROL; AND JAMES HOGAN, COMPTROLLER

Mr. LAWN. Thank you, Mr. Chairman.

I am John C. Lawn, the Acting Administrator of the Drug Enforcement Administration. With me is David Westrate, Deputy Assistant Administrator for Operations; Ronald Buzzeo, Deputy Director, Office of Diversion Control; and Mr. James Hogan, Comptroller.

Mr. Chairman, I have a formal statement for the record. I would like to begin with a brief reading of the statement, if I may.

I am pleased to come before you to discuss the budget request of the Drug Enforcement Administration. During my tenure as Deputy Administrator of the Drug Enforcement Administration, I am aware that this committee has been supportive of our efforts and I want to thank you for that support.

I am pleased to report that there have been some encouraging signs this year which demonstrate continued progress in our drug enforcement efforts. Serious crime in our Nation has decreased over the past 2½ years. Given what is known about the relationship between drugs and crime, we can see that the Federal drug strategy formulated at the beginning of this administration is having a definite impact. I believe our efforts are making a difference in the Nation's well-being.

Abuse of several of the more harmful drugs has stabilized according to the latest available data. The number of heroin addicts has stabilized at approximately one-half million, and the abuse of dangerous drugs has decreased by 12 percent.

According to data released by the National Institute of Drug Abuse in fiscal year 1984, young people in the United States continued to record what has become a 4-year decline in reported abuse of such drugs as marijuana, amphetamines, and barbiturates.

DWA has recorded noteworthy increases in arrests, convictions, drug seizures, and cannabis eradication during fiscal year 1984. These solid accomplishments point to increased enforcement effectiveness.

One point should be emphasized, however. Continuing the emphasis of our enforcement efforts will depend upon a continuing willingness to commit the necessary resources and cooperative ef-

forts. Much more needs to be done. I must point out that enforcement alone is not the answer. It is only one of the five elements of the Federal strategy.

DEA's budget request for fiscal year 1986 is for a total of $345,671,000 and 4,564 permanent positions, of which 2,210 are special agent positions. This represents a net increase of 134 positions and $15,683,000 above the 1985 enacted level. Included in the proposed net increase is the full-year cost for a 1985 supplemental request for 156 positions to implement the administrative revocation provisions of the 1984 Crime Control Act, other management initiatives and uncontrollable changes as well as 22 fewer administrative positions in the Drug Enforcement Administration.

I believe that DEA has been effective in pursuit of the national strategy to prevent drug abuse and drug trafficking as indicated by the following program areas.

In the area of domestic operations: In the Domestic Operations Program, the major thrust is the reduction of illicit narcotics and dangerous drugs in the domestic marketplace through enhanced coordination and intelligence sharing and effective cooperation among Federal, State, and local authorities; the maintenance of continuous investigative pressure on traffickers has led to increased arrests, prosecutions and convictions of major violators as well as removal of their financial assets.

Concerning the FBI/DEA concurrent jurisdiction: FBI participation in drug enforcement has increased the Federal investigative resources by approximately 50 percent. The FBI is developing and substantiating connections among drug trafficking groups in both traditional and nontraditional organized crime organizations. Its expertise in money laundering, public corruption, assistance with fugitive apprehension, and technology has augmented the successes of the Drug Enforcement Administration.

The organized crime drug enforcement operations: The formation of 13 organized crime drug enforcement task forces to target the highest level of organized crime and drug trafficking has made a major contribution to the national drug enforcement effort. These task forces utilize resources from nine Federal agencies. In addition, maximum cooperation is promoted among State and local officers from over 100 law enforcement agencies who participate in excess of 44 percent of the OCDETF cases. The success of the program has been impressive.

From fiscal year 1983, when the OCDETF Program was implemented, until the end of fiscal year 1984, DEA has participated in 747 cases initiated; 342 of which have resulted in indictments.

Regarding our State and local task forces: To complement the Federal drug enforcement effort, the DEA provides leadership in gaining the effective participation of State and local resources toward the drug reduction efforts. With a minimal investment of Federal resources, freeing our resources to target higher level traffickers. The State and local task force program unites DEA's special agents and State and local police officers into drug enforcement units in selected geographic areas. This program provides a good return on the Federal Government's investment.

Our Cannabis Eradication Program was established to insure a coordinated effort between Federal, State, and local agencies in-

volved in the eradication of cannabis cultivated in the United States.

DEA's role within current resource levels is to encourage State and local eradication efforts and to contribute funding, training, equipment, investigative, and aircraft resources. The program has expanded from 7 States in 1981 to 48 States in 1984, and it is anticipated that all 50 States will be involved in 1985.

The El Paso Intelligence Center: DEA operates the El Paso Intelligence Center which is a repository for tactical intelligence leads used to track the domestic and international movement of drugs, aliens, and weapons. Nine Federal agencies participate in the El Paso Intelligence Center. Intelligence exchange agreements were completed with the last of the 50 State police organizations in the fall of 1984.

Regarding international operations: Through its foreign cooperative investigations program, DEA works closely with the Department of State to control international drug trafficking. DEA carries out international activity by providing technical advice, investigative cooperation, intelligence exchange, diplomatic initiative assistance, and the training for foreign officials sent to the United States as well as the providing of instructors to teach in the host countries.

DEA provides a worldwide link in drug intelligence: There are currently 200 agents stationed in 61 foreign cities in 42 foreign countries throughout the world.

Operation ChemCon: One of the most promising international drug control programs is Operation ChemCon. It is an effort to monitor and control the distribution of chemicals needed to manufacture illicit drugs from the raw plant material. In order for this program to be successful, DEA must foster the cooperation of legitimate chemical manufacturers and law enforcement personnel from many nations. The Governments of Panama, Colombia, Brazil, and others have played major roles.

For example, a 55-gallon drum of ether which retails for about $180 in the United States now costs a Colombian cocaine manufacturer upwards to $10,000. By making ether prohibitively expensive and unobtainable, we can restrict cocaine production and hopefully its availability.

Given these successes, DEA is now applying these techniques to control production of other illicit drugs. For example, we are now monitoring acetic anhydride for heroin and the percursor chemicals needed to manufacture methamphetamine and PCP.

In the area of violence and terrorism: All nations are profoundly concerned by the increasing willingness of narcotics traffickers to use terrorist-type violence. The senseless assassination of Justice Minister Lara in Bogota in 1984 sparked a major expansion of Colombia's antinarcotics program. The recent wave of killing of law enforcement officers in Mexico, including DEA Special Agent Enrique Camarena Salazar, has strengthened the resolve of narcotics control agencies on both sides of the border. Agent Camarena's tragic death was a great loss to this Agency and to all his comrades.

In the area of diversion control: DEA also enforces provisions of the Controlled Substances Act which pertain to the manufacture

and distribution of controlled substances for medical and research purposes. The diversion control program is responsible for the detection and prevention of diversion of drugs from legitimate channels.

Through diplomatic and operational efforts, DEA has effectively curtailed the diversion of foreign-source methaqualone into the United States and has stimulated many initiatives and control measures taken by foreign governments, Interpol, and the United Nations to reduce the international diversion of legitimate drugs and essential chemicals as part of that program.

A substantial increase in diversion investigator positions is being requested to supplement the new administrative revocation provisions of the Comprehensive Crime Control Act of 1984. With this staffing increase, DEA could reduce the level of diverted drugs by an estimated additional 1 million dosage units per year.

Prevention and education, another of the five elements of the Federal strategy: Preventing drug abuse before it starts is the long-range solution to resolving the drug problem. We, in Federal law enforcement, have a unique sensitivity and perception as to the consequences of drug abuse. DEA is involved in its most ambitious prevention activity to date. DEA is reaching out to young people through a joint drug prevention venture with athletes in the Sports Drug Awareness Program. The FBI, the National Football League, along with the National Football League Players Association, the international Association of Chiefs of Police, and the Office of Juvenile Justice and Deliquency Prevention, all are participating in this program through the National Association of High School Athletic Coaches.

Organization Support: I would also like to take this opportunity to acknowledge the important role which the Drug Enforcement Administration support staff plays in drug law enforcement. Our special agents are effective in our enforcement efforts because of the assistance they receive from the professional staffs in intelligence, science and technology, training, analytical testing laboratories as well as logistical support.

The Comprehensive Crime Control Act of 1984: I would like to conclude with a comment concerning the Comprehensive Crime Control Act of 1984.

For the Drug Enforcement Administration, the impact of this legislation will be great: Increased trafficking penalties and bail reform; establishing administrative registrant revocation in diversion control; emergency drug scheduling; enhanced assets seizure and forfeiture authority as well as uniform sentencing.

On the whole, we welcome this statute as an important signal to criminals and to the international community that our Government means business in drug crime control.

This concludes my statement, Mr. Chairman. I shall be pleased to answer any questions that you may have.

Senator DENTON. Thank you, Mr. Lawn. And without objection, the complete text of your written statement will be included in the record.

[The prepared statement of Mr. Lawn follows:]

PREPARED STATEMENT OF JOHN C. LAWN

I AM PLEASED TO COME BEFORE YOU TO DISCUSS THE BUDGET REQUEST OF THE DRUG ENFORCEMENT ADMINISTRATION. DURING MY TENURE AS DEPUTY ADMINISTRATOR OF DEA, I AM AWARE THAT THIS COMMITTEE HAS BEEN SUPPORTIVE OF OUR EFFORTS AND I WANT TO THANK YOU.

I AM PLEASED TO REPORT THAT THERE HAVE BEEN SOME ENCOURAGING SIGNS THIS YEAR WHICH DEMONSTRATE CONTINUED PROGRESS IN OUR DRUG ENFORCEMENT EFFORTS:

* SERIOUS CRIME IN OUR NATION HAS DECREASED OVER THE PAST TWO AND ONE-HALF YEARS. GIVEN WHAT IS KNOWN ABOUT THE RELATIONSHIP BETWEEN DRUGS AND CRIME, WE CAN SEE THAT THE FEDERAL DRUG STRATEGY, FORMULATED AT THE BEGINNING OF THIS ADMINISTRATION, IS HAVING A DEFINITE IMPACT. I BELIEVE OUR EFFORTS ARE MAKING A DIFFERENCE IN THE NATION'S WELL-BEING.

* ABUSE OF SEVERAL OF THE MORE HARMFUL DRUGS HAS STABILIZED ACCORDING TO THE LATEST AVAILABLE DATA. THE NUMBER OF HEROIN ADDICTS HAS STABILIZED AT APPROXIMATELY ONE-HALF MILLION, AND THE ABUSE OF DANGEROUS DRUGS DECREASED BY 12 PERCENT.

ACCORDING TO DATA RELEASED BY THE NATIONAL INSTITUTE ON DRUG ABUSE (NIDA) IN FY 1984, YOUNG PEOPLE IN THE UNITED STATES CONTINUED TO RECORD WHAT HAS BECOME A FOUR-YEAR DECLINE IN REPORTED ABUSE OF SUCH DRUGS AS MARIJUANA, AMPHETAMINES, AND BARBITURATES. FOR EXAMPLE, THE NUMBER OF HIGH SCHOOL SENIORS USING MARIJUANA ON A DAILY BASIS IS ESTIMATED TO BE 5.5 PERCENT. THIS IS THE LOWEST LEVEL OF REPORTED USE SINCE THE GOVERNMENT BEGAN KEEPING SUCH STATISTICS IN 1975.

DEA RECORDED NOTEWORTHY INCREASES IN ARRESTS, CONVICTIONS, DRUG SEIZURES AND CANNABIS ERADICATION DURING FY 1984. THESE SOLID ACCOMPLISHMENTS POINT TO INCREASED ENFORCEMENT EFFECTIVENESS.

ONE POINT SHOULD BE EMPHASIZED: CONTINUING THE MOMENTUM OF OUR ENFORCEMENT EFFORTS WILL DEPEND UPON A CONTINUING WILLINGNESS TO COMMIT THE NECESSARY RESOURCES AND COOPERATIVE EFFORTS. MUCH MORE NEEDS TO BE DONE. I MUST POINT OUT ENFORCEMENT ALONE IS NOT THE ANSWER. IT IS ONLY ONE OF THE FIVE ELEMENTS OF THE FEDERAL STRATEGY.

BUDGET REQUEST

DEA'S BUDGET REQUEST FOR FY 1986 IS FOR A TOTAL OF $345,671,000 AND 4,564 PERMANENT POSITIONS, OF WHICH 2,210 ARE AGENTS. THIS REPRESENTS A NET INCREASE OF 134 POSITIONS AND $15,683,000 ABOVE THE 1985 ENACTED LEVEL. INCLUDED IN THE PROPOSED NET INCREASE IS THE FULL YEAR COST FOR A 1985 SUPPLEMENTAL REQUEST FOR 156 POSITIONS TO IMPLEMENT THE ADMINISTRATIVE REVOCATION PROVISIONS OF THE 1984 COMPREHENSIVE CRIME CONTROL ACT, OTHER MANAGEMENT INITIATIVES AND UNCONTROLLABLE CHANGES AND 22 FEWER ADMINISTRATIVE POSITIONS.

AGENCY MISSION AND ROLE

DEA IS THE LEAD LAW ENFORCEMENT AGENCY RESPONSIBLE FOR INVESTIGATING DRUG TRAFFICKING WITHIN THE UNITED STATES AND THE SOLE UNITED STATES AGENCY AUTHORIZED TO CONDUCT FOREIGN COOPERATIVE INVESTIGATIONS.

ADDITIONALLY, DEA HAS THE RESPONSIBILITY TO REGULATE AND MONITOR THE MANUFACTURE AND DISTRIBUTION OF CONTROLLED SUBSTANCES. DEA ALSO IS RESPONSIBLE FOR PROVIDING CENTRAL LEADERSHIP, MANAGEMENT AND COORDINATION FOR INTELLIGENCE RELATING TO THE SUPPRESSION OF ILLICIT DRUGS.

THE EFFECTIVENESS OF DRUG LAW ENFORCEMENT HAS BEEN IMPROVED THROUGH CLOSER WORKING RELATIONSHIPS WITH LAW ENFORCEMENT AGENCIES AT THE FEDERAL, STATE AND LOCAL LEVELS.

DEA/FBI CONCURRENT JURISDICTION

ONE OF THE MANY IMPORTANT DRUG LAW ENFORCEMENT INITIATIVES UNDERTAKEN BY THIS ADMINISTRATION WAS GRANTING TO THE FBI CONCURRENT JURISDICTION WITH DEA TO INVESTIGATE VIOLATIONS OF FEDERAL DRUG LAWS.

DEA/FBI COORDINATION OF TARGETS AND INVESTIGATIONS HAS BECOME ROUTINE IN BOTH THE FIELD AND HEADQUARTERS. THE NUMBER OF JOINT DEA/FBI INVESTIGATIONS HAS STEADILY INCREASED SINCE CONCURRENT JURISDICTION WAS IMPLEMENTED IN 1981. THERE WERE 789 AT THE END OF THE FY 1984--A 233 PERCENT INCREASE OVER FY 1982. SIMILARLY, IN FY 1984, THERE WAS A TOTAL OF 391 NARCOTIC-RELATED TITLE III INVESTIGATIONS, OF WHICH 179 WERE CONDUCTED JOINTLY BY DEA AND THE FBI. THIS REPRESENTS A 280 PERCENT OVERALL INCREASE IN THE USE OF DRUG RELATED TITLE III INVESTIGATIONS AND A 337 PERCENT INCREASE IN THE NUMBER CONDUCTED JOINTLY BETWEEN FY 1982 AND 1984.

FBI PARTICIPATION IN DRUG ENFORCEMENT HAS INCREASED FEDERAL DRUG INVESTIGATIVE RESOURCES BY APPROXIMATELY 50 PERCENT. THE FBI IS DEVELOPING AND SUBSTANTIATING CONNECTIONS AMONG DRUG TRAFFICKING GROUPS AND BOTH TRADITIONAL AND NON-TRADITIONAL ORGANIZED CRIME ORGANIZATIONS. ITS EXPERTISE IN MONEY LAUNDERING, PUBLIC CORRUPTION CASES, ASSISTANCE WITH FUGITIVE APPREHENSION, AND TECHNOLOGY HAS AUGMENTED THE SUCCESS OF DEA.

I BELIEVE DEA HAS BEEN EFFECTIVE IN PURSUIT OF THE NATIONAL STRATEGY TO PREVENT DRUG ABUSE AND DRUG TRAFFICKING, AS INDICATED BY THE FOLLOWING PROGRAM AREAS:

DOMESTIC OPERATIONS

IN THE DOMESTIC OPERATIONS PROGRAMS, THE MAJOR THRUST IS THE REDUCTION OF ILLICIT NARCOTICS AND DANGEROUS DRUGS IN THE DOMESTIC MARKET PLACE THROUGH ENHANCED COORDINATION AND INTELLIGENCE SHARING; AND EFFECTIVE

COOPERATION AMONG FEDERAL/STATE AND LOCAL AUTHORITIES. THE MAINTENANCE OF CONTINUOUS INVESTIGATIVE PRESSURE ON TRAFFICKERS HAS LEAD TO INCREASED ARRESTS, PROSECUTIONS, AND CONVICTIONS OF MAJOR VIOLATORS, AND REMOVAL OF THEIR FINANCIAL ASSETS.

- THE DEA RATE OF ARRESTS HAS GONE FROM LESS THAN 1,000 PER MONTH IN FY 1980 TO NEARLY 1,100 PER MONTH IN FY 1984. ARRESTS IN THOSE CASES TARGETED AT THE TOP ECHELON OR CLASS I CASES, HAVE INCREASED APPROXIMATELY 40 PERCENT. CONVICTIONS ARE UP FROM ABOUT 400 PER MONTH IN FY 1980 TO MORE THAN 900 PER MONTH IN FY 1984.

- DURING THIS SAME TIME PERIOD, INCREASES IN DRUGS REMOVED FROM THE TRAFFIC WERE ALSO SIGNIFICANT. COCAINE REMOVALS WERE UP 380 PERCENT AND TOTALLED 11.7 METRIC TONS IN FY 1984. MARIJUANA SEIZURES INCREASED 270 PERCENT AND HEROIN SEIZED INCREASED 80 PERCENT.

- DURING FY 1984, DEA INVESTIGATIONS ALSO ACCOUNTED FOR THE SEIZURE OF 190 CLANDESTINE LABORATORIES, INCLUDING 120 METHAMPHETAMINE, 18 PCP AND 17 COCAINE LABORATORIES.

ORGANIZED CRIME DRUG ENFORCEMENT OPERATIONS

THE FORMATION OF 13 ORGANIZED CRIME DRUG ENFORCEMENT TASK FORCES (OCDETF) TO TARGET THE HIGHEST LEVEL OF ORGANIZED CRIME AND DRUG TRAFFICKING, HAS MADE A MAJOR CONTRIBUTION TO THE NATIONAL DRUG ENFORCEMENT EFFORT. THESE TASK FORCES UTILIZE RESOURCES FROM NINE FEDERAL AGENCIES. IN ADDITION, MAXIMUM COOPERATION IS PROMOTED AMONG STATE AND LOCAL OFFICERS FROM OVER 100 LAW ENFORCEMENT AGENCIES WHO PARTICIPATE IN 40 PERCENT OF OCDETF CASES. THE SUCCESS OF THE PROGRAM HAS BEEN IMPRESSIVE.

FROM FY 1983, WHEN THE OCDETF PROGRAM WAS IMPLEMENTED, TO THE END OF FY 1984, DEA HAD PARTICIPATED IN 747 CASES INITIATED; 342 OF WHICH HAD RESULTED IN INDICTMENTS.

OTHER COOPERATIVE DOMESTIC OPERATIONS

State and Local Task Forces

To complement the Federal Drug Enforcement effort, the DEA provides leadership in gaining the effective participation of State and Local resources toward the drug reduction efforts. With a minimal investment of federal resources; freeing resources to target higher level traffickers. The State and Local Task Force program unites DEA special agents and State and local police officers into drug enforcement units in selected geographic areas. These task forces facilitate intelligence sharing among the participating agencies and provide the ability to target mid-level traffickers who prove difficult to investigate by only a single agency. By the end of 1984, 23 State and Local Task Forces were operational. This program resulted in 2,476 arrests during FY 1984. This program provides a good return on the federal government's investment.

Cannabis Eradication Program

The DEA Domestic Cannabis Eradication/Suppression program was established to ensure a coordinated effort between Federal, State, and local agencies involved in the eradication of cannabis cultivated in the United States.

DEA's role, within current resource levels, is to encourage State and local eradication efforts and to contribute funding, training, equipment, investigative, and aircraft resources. The program has expanded from seven states in 1981 to 48 states in 1984.

In calendar year 1984, State and local eradication teams were responsible for the arrest of 4,941 individuals, the seizure of over 1,400 weapons and the destruction of almost 13 million plants (of which approximately 27 percent were the highly-potent, highly cultivated sinsemilla variety). Also, 650 green houses used for growing cannabis were raided. This type of

EXPENSIVE CULTIVATION SHOWS THAT OUR EFFORTS ARE BECOMING MORE EFFECTIVE AS THE GROWERS ATTEMPT INCREASINGLY TO CONCEAL THEIR CANNABIS CROP.

EPIC

DEA OPERATES THE EL PASO INTELLIGENCE CENTER (EPIC) WHICH IS A REPOSITORY FOR TACTICAL INTELLIGENCE LEADS USED TO TRACK THE DOMESTIC AND INTERNATIONAL MOVEMENT OF DRUGS, ALIENS AND WEAPONS. NINE FEDERAL AGENCIES PARTICIPATE IN EPIC. INTELLIGENCE EXCHANGE AGREEMENTS WERE COMPLETED WITH THE LAST OF THE 50 STATE POLICE ORGANIZATIONS IN THE FALL OF 1984.

IN FY 1984, EPIC PROCESSED 282,000 INTELLIGENCE INQUIRIES. EPIC DATA ASSISTED IN THE SEIZURES OF 85 AIRCRAFT, 176 VESSELS, 36,000 POUNDS OF COCAINE, AND 2.5 MILLION POUNDS OF MARIJUANA. EPIC'S UNIQUE, INTERAGENCY COOPERATIVE APPROACH IS ALSO BEING USED AS A PROTOTYPE FOR THE DEVELOPMENT OF SIMILAR CENTERS ON A REGIONAL/STATEWIDE BASIS IN THIS COUNTRY AND SEVERAL FOREIGN NATIONS. EXAMPLES INCLUDE THE CALIFORNIA NARCOTICS INFORMATION NETWORK AND INTELLIGENCE CENTERS IN VENEZUELA AND THE FEDERAL REPUBLIC OF GERMANY.

INTERNATIONAL OPERATIONS

THROUGH ITS FOREIGN COOPERATIVE INVESTIGATIONS PROGRAM, DEA WORKS CLOSELY WITH THE DEPARTMENT OF STATE TO CONTROL INTERNATIONAL DRUG TRAFFICKING. DEA CARRIES OUT INTERNATIONAL ACTIVITY BY PROVIDING TECHNICAL ADVICE, INVESTIGATIVE COOPERATION, INTELLIGENCE EXCHANGE, DIPLOMATIC INITIATIVE ASSISTANCE AND THE TRAINING FOR FOREIGN OFFICIALS SENT TO THE UNITED STATES AS WELL AS THE PROVIDING OF INSTRUCTORS TO TEACH IN THE HOST COUNTRIES. DEA PROVIDES A WORLD-WIDE LINK IN DRUG INTELLIGENCE. THERE ARE CURRENTLY 200 AGENTS STATIONED IN 60 FOREIGN CITIES IN 41 COUNTRIES THROUGHOUT THE WORLD. INTERNATIONALLY, IT HAS BECOME DIFFICULT TO KEEP TRACK OF THE SO CALLED "RECORD SEIZURES." FOR THEY ARE BEING MADE ON A REGULAR BASIS, AND EACH ONE IS MUCH LARGER THAN THE LAST:

- THROUGH A DEA MONITORED ENFORCEMENT PROGRAM, MEXICO SEIZED 10,000 TONS OF CANNABIS PLANTS, WHICH WOULD HAVE YIELDED 2,000 NET TONS OF MARIJUANA, WHICH WERE GROWING IN NON-TRADITIONAL AREAS. THE RAID ALSO FREED 7,000 MIGRANT WORKERS HELD BY DRUG TRAFFICKERS AND SEIZED A HEROIN PROCESSING LABORATORY.

- BASED ON DEA INFORMATION, THE COLOMBIAN GOVERNMENT SEIZED SEVEN COCAINE LABORATORY COMPLEXES AND 10 TONS OF COCAINE. AMBASSADOR LEWIS TAMBS DESCRIBED THE OPERATION AS THE "LARGEST DRUG RAID EVER IN THE WORLD."

IN 1984, THERE WERE NOTABLE SUCCESSES, SUPPORTED BY DEA, IN DIPLOMATIC INITIATIVES TO CONTROL DRUGS.

- COLOMBIA IMPLEMENTED ERADICATION PROGRAMS FOR BOTH MARIJUANA AND COCAINE, AND BEGAN EXTRADITING COLOMBIAN DRUG TRAFFICKERS WANTED FOR PROSECUTION IN THE UNITED STATES.

- AS A RESULT OF A CONFERENCE CO-SPONSORED BY DEA, ELEVEN LATIN AMERICAN COUNTRIES, CANADA AND THE UNITED STATES DETERMINED THAT A COOPERATIVE REGIONAL COMMUNICATIONS AND INTELLIGENCE CENTER FOR LATIN AMERICA WOULD BE ESTABLISHED.

OPERATION CHEM CON

ONE OF THE MOST PROMISING INTERNATIONAL DRUG CONTROL PROGRAMS IS OPERATION CHEM CON. IT IS AN EFFORT TO MONITOR AND CONTROL THE DISTRIBUTION OF CHEMICALS NEEDED TO MANUFACTURE ILLICIT DRUGS FROM THE RAW PLANT MATERIAL. IN ORDER FOR THIS PROGRAM TO BE SUCCESSFUL DEA MUST FOSTER THE COOPERATION OF LEGITIMATE CHEMICAL MANUFACTURERS AND LAW ENFORCEMENT PERSONNEL FROM MANY NATIONS. THE GOVERNMENTS OF PANAMA, COLOMBIA, BRAZIL AND OTHERS HAVE PLAYED MAJOR ROLES. FOR EXAMPLE, A 55 GALLON DRUM OF ETHER, WHICH RETAILS FOR ABOUT $180 IN THE U. S. NOW COSTS A COLOMBIAN COCAINE MANUFACTURER UPWARDS OF $10,000. BY MAKING ETHER PROHIBITIVELY EXPENSIVE AND UNOBTAINABLE, WE CAN RESTRICT COCAINE PRODUCTION, AND HOPEFULLY ITS AVAILABILITY.

GIVEN THESE SUCCESSES, DEA IS NOW APPLYING THESE TECHNIQUES TO CONTROL PRODUCTION OF OTHER ILLICIT DRUGS. FOR EXAMPLE, WE ARE NOW MONITORING ACETIC ANHYDRIDE FOR HEROIN AND THE PRECURSOR CHEMICALS NEEDED TO MANUFACTURE METHAMPHETAMINE AND PCP.

VIOLENCE AND TERRORISM

ALL NATIONS ARE PROFOUNDLY CONCERNED BY THE INCREASING WILLINGNESS OF NARCOTICS TRAFFICKERS TO USE TERRORIST-TYPE VIOLENCE. THE SENSELESS ASSASSINATION OF JUSTICE MINISTER LARA IN BOGOTA IN 1984 SPARKED A MAJOR EXPANSION OF COLOMBIA'S ANTI-NARCOTICS PROGRAM. THE RECENT WAVE OF KILLING OF LAW ENFORCEMENT OFFICERS IN MEXICO, INCLUDING DEA SPECIAL AGENT ENRIQUE CAMARENA SALAZAR HAS STRENGTHENED THE RESOLVE OF NARCOTICS CONTROL AGENCIES ON BOTH SIDES OF THE BORDER. AGENT CAMARENA'S TRAGIC DEATH WAS A GREAT LOSS TO THIS AGENCY AND TO HIS COMRADES.

DIVERSION CONTROL

DEA ALSO ENFORCES PROVISIONS OF THE CONTROLLED SUBSTANCES ACT WHICH PERTAIN TO THE MANUFACTURE AND DISTRIBUTION OF CONTROLLED SUBSTANCES FOR MEDICAL AND RESEARCH PURPOSES. THE DIVERSION CONTROL PROGRAM IS RESPONSIBLE FOR THE DETECTION AND PREVENTION OF DIVERSION OF DRUGS FROM LEGITIMATE CHANNELS.

FOUR TYPES OF INVESTIGATIONS ARE CONDUCTED UNDER THIS PROGRAM:

- PERIODIC UNANNOUNCED INVESTIGATIONS OF DRUG MANUFACTURERS AND WHOLESALERS;
- CRIMINAL INVESTIGATIONS OF TARGETED REGISTRANTS WHO ARE HIGH-LEVEL VIOLATORS;
- PRE-REGISTRANT INVESTIGATIONS WHICH ARE CONDUCTED PRIOR TO THE APPROVAL OF DEA REGISTRATION APPLICATIONS; AND
- ADMINISTRATIVE REVOCATION INVESTIGATIONS OF REGISTRANTS WHICH COULD

RESULT IN THE DENIAL, SUSPENSION OR REVOCATION OF A DEA REGISTRATION BASED ON PUBLIC INTEREST GROUNDS.

ANOTHER PURPOSE OF THE DIVERSION CONTROL PROGRAM IS TO IDENTIFY INTERNATIONAL DRUG SHIPMENTS WHICH ARE DESTINED FOR ILLEGAL SMUGGLING OPERATIONS. THROUGH DIPLOMATIC AND OPERATIONAL EFFORTS, DEA HAS EFFECTIVELY CURTAILED THE DIVERSION OF FOREIGN-SOURCE METHAQUALONE INTO THE UNITED STATES AND HAS STIMULATED MANY INITIATIVES AND CONTROL MEASURES TAKEN BY FOREIGN GOVERNMENTS, INTERPOL AND THE UNITED NATIONS TO REDUCE THE INTERNATIONAL DIVERSION OF LEGITIMATE DRUGS AND ESSENTIAL CHEMICALS.

OTHER DIVERSION CONTROL ACTIVITIES INCLUDE THE REGISTERING OF ALL LEGITIMATE DRUG HANDLERS, ESTABLISHING MANUFACTURING AND PRODUCTION QUOTAS OF SCHEDULE I AND II SUBSTANCES, MONITORING ALL IMPORTS AND EXPORTS OF CONTROLLED SUBSTANCES, AND ASSISTING STATE AND LOCAL GOVERNMENTS IN THEIR EFFORTS TO SUPPRESS DRUG DIVERSION.

DURING FY 1984, DEA CONDUCTED 226 CRIMINAL INVESTIGATIONS AND 667 PERIODIC UNANNOUNCED INVESTIGATIONS OF DEA REGISTRANTS RESULTING IN 165 ARRESTS AND APPROXIMATELY $2 MILLION IN FINES, PENALTIES AND ASSET REMOVALS. AS A RESULT OF THE 667 PERIODIC, UNANNOUNCED INVESTIGATIONS CONDUCTED, CORRECTIVE ACTION WAS TAKEN AGAINST 258 FIRMS.

A SUBSTANTIAL INCREASE IN DIVERSION INVESTIGATOR POSITIONS IS BEING REQUESTED TO IMPLEMENT THE NEW ADMINISTRATIVE REVOCATION PROVISIONS OF THE COMPREHENSIVE CRIME CONTROL ACT OF 1984. WITH THIS STAFFING INCREASE, DEA COULD REDUCE THE LEVEL OF DIVERTED DRUGS BY AN ESTIMATED ADDITIONAL 100 MILLION DOSAGE UNITS PER YEAR.

PREVENTION AND EDUCATION

PREVENTING DRUG ABUSE BEFORE IT STARTS IS THE LONG-RANGE SOLUTION TO RESOLVING THE DRUG PROBLEM. WE, IN FEDERAL LAW ENFORCEMENT, HAVE A UNIQUE

SENSITIVITY AND PERCEPTION AS TO THE CONSEQUENCES OF DRUG ABUSE.
DEA IS INVOLVED IN ITS MOST AMBITIOUS PREVENTION ACTIVITY TO DATE. DEA IS REACHING OUT TO YOUNG PEOPLE THROUGH A JOINT DRUG PREVENTION VENTURE WITH ATHLETES IN THE SPORTS DRUG AWARENESS PROGRAM. THE FBI, THE NATIONAL FOOTBALL LEAGUE, ALONG WITH ITS PLAYERS ASSOCIATION, THE INTERNATIONAL ASSOCIATION OF CHIEFS OF POLICE AND THE OFFICE OF JUVENILE JUSTICE AND DELINQUENCY PREVENTION ALL ARE SUPPORTING THIS PROGRAM THROUGH THE NATIONAL ASSOCIATION OF HIGH SCHOOL ATHLETIC COACHES.

AS A FORMER COACH, I AM PARTICULARLY SENSITIVE TO THE NEED FOR SUCH AN EFFORT. I BELIEVE THE IMPACT WE CAN EXPECT TO MAKE BY REACHING THE YOUNGER GENERATIONS OF STUDENTS THROUGH A VEHICLE TO WHICH THEY CAN BETTER RELATE IS GREAT. OUR GOAL IS TO REACH 48,000 COACHES IN 20,000 HIGH SCHOOLS ACROSS THE COUNTRY WHO CAN IN TURN HELP US USE 5.6 MILLION STUDENT ATHLETES AS ROLE MODELS. THESE ATHLETIC LEADERS WILL EXERT POSITIVE PEER PRESSURE TO KEEP OTHER YOUTHS AWAY FROM DRUGS. DUE TO THE CRUCIAL NEEDS AND DEMANDS OF THE PROGRAM, WE ARE ALREADY EXPANDING THE SCOPE OF ITS ACTIVITY. IN THE FIRST SIX MONTHS OF THIS PROGRAM, OVER 3,000 COACHES RECEIVED INFORMATION OR TRAINING AND OVER 100,000 SPECIALLY PREPARED SPORTS AND DRUG ABUSE PUBLICATIONS WERE DISTRIBUTED. PHASE II OF THE PROGRAM WAS EXPANDED IN NOVEMBER OF 1984 TO INCLUDE 41 ORGANIZATIONS TO REACH UP TO 57 MILLION YOUNG PEOPLE.

ORGANIZATION SUPPORT

I WOULD ALSO LIKE TO TAKE THIS OPPORTUNITY TO ACKNOWLEDGE THE IMPORTANT ROLE WHICH THE DEA SUPPORT STAFF PLAYS IN DRUG LAW ENFORCEMENT. OUR SPECIAL AGENTS ARE EFFECTIVE IN OUR ENFORCEMENT EFFORTS BECAUSE OF THE ASSISTANCE THEY RECEIVE FROM THE PROFESSIONAL STAFFS IN INTELLIGENCE, SCIENCE AND TECHNOLOGY, TRAINING, ANALYTICAL TESTING LABORATORIES, AND LOGISTICAL SUPPORT.

COMPREHENSIVE CRIME CONTROL ACT OF 1984

I WOULD LIKE TO CONCLUDE WITH A COMMENT CONCERNING THE COMPREHENSIVE CRIME CONTROL ACT OF 1984.

FOR DEA, THE IMPACT WILL BE GREAT: INCREASED TRAFFICKING PENALTIES AND BAIL REFORM; ESTABLISHING ADMINISTRATIVE REGISTRANT REVOCATION IN DIVERSION CONTROL; EMERGENCY DRUG SCHEDULING, ENHANCED ASSET SEIZURE AND FORFEITURE AUTHORITY AND UNIFORM SENTENCING.

ON THE WHOLE, WE WELCOME THIS STATUTE AS AN IMPORTANT SIGNAL TO CRIMINALS AND TO THE INTERNATIONAL COMMUNITY, THAT OUR GOVERNMENT MEANS BUSINESS IN DRUG CRIME CONTROL.

THIS CONCLUDES MY STATEMENT, MR. CHAIRMAN. I SHALL BE PLEASED TO ANSWER ANY QUESTIONS YOU OR OTHER MEMBERS OF THE SUBCOMMITTEE MIGHT HAVE.

Senator DENTON. The brutal murders of Enrique Carmarena and his DEA pilot, Alfredo Zavala, shocked and outraged all of us. As bad as the situation is, it is made all the worse by information that Mexican law enforcement officials with whom agent Carmarena worked may have participated in the kidnaping and murders.

Within the constraints of an open hearing such as this, would you give us an update on this case, especially focusing on the role of the Mexican law enforcement personnel in the murders and in the apprehension of the murderers?

Mr. LAWN. Yes, sir. As you know, Mr. Chairman, we, indeed, the whole of the United States, was outraged at this act of terrorism wherein a special agent of the Drug Enforcement Administration was abducted from a street in downtown Guadalajara and was subsequently murdered.

We were also outraged at the initial inactivity of our Mexican counterparts in taking any enforcement action to determine the whereabouts of Special Agent Carmarena. Subsequent to the abduction, the attorney general's office in Mexico has taken control of this investigation. They have worked this investigation on a unilateral basis. We have been told that arrests have been effected, that further arrests are anticipated, but other than that, we have no direct knowledge as to the current status of the investigation.

We are anticipating that in the near future we will be able to meet with our counterparts in the Mexican Attorney General's offices for an update on the status of the investigation.

Senator DENTON. What are the prospects for extradition and trial in the United States of those whom you identify as responsible, chargeable?

Mr. LAWN. This is an issue that was taken up as recently as Friday last week with Attorney General Meese, and I believe it is an area that is currently being pursued by the Department of Justice.

Senator DENTON. I gather that in Mexico, the Government, the law enforcement people, and regular citizens find themselves caught in a very tempting situation with respect to the money that is available from drug trafficking activities.

In addition to that, probably intimidation on the part of the drug traffickers presenting them with a stick and carrot situation. Would you characterize the corruption, if you could call it that, of the drug prosecution effort there, would you characterize it as ineffective, in general?

Mr. LAWN. No, Mr. Chairman, I would not. I would characterize it and have characterized the initial aspects of the abduction of Special Agent Carmarena as being, at best, ineffective, but in hindsight, I also have to look at the number of investigations that have been worked jointly with our Mexican counterparts and the seizure of the 10,000 tons of marijuana just a few months earlier in Chihuahua. I think there has been perhaps a stepping back of the effectiveness of enforcement in Mexico, but I have to also look at the record and to recall all of the many successful investigative opportunities we have had and have worked jointly with our Mexican counterparts.

Senator DENTON. I must confess that the media have been an extremely good source for me of recent developments with some rather comprehensive articles on that subject. I think all three major news magazines had such articles as that one in Newsweek, "Cocaine, the Evil Empire," in late February. U.S. News & World Report had similar coverage.

I learned that whole societies, indeed, whole governmental structures and administrations have broken down in some countries, or at least that was the way it was portrayed. Bolivia being one. Colombia is having a very difficult time. Peru is starting to experience similar difficulties. I get the impression from our own studies and investigations and from what I gleaned from the media that while there are brave and true men and women in positions of government in those countries, there is virtually a breakdown in, say, Bolivia, of a prosecuting effort, and that the people who are growing the coca, or whatever, feel that it is their sources of subsistence and that it is a complex social issue there as well.

Could you characterize the situation nation to nation at all? I have the belief that the Cuban Government, the Nicaraguan Government, at least as manifested by high officials being involved in the drug trafficking, are not trying, whereas some of these countries are just being corrupted by the two forces that I mentioned, intimidation and greed, catalyzed by hunger.

How would you discuss that subject?

Mr. LAWN. Mr. Chairman, as you indicated, there certainly are major problems in the source countries. In Peru, for example, Sendero Luminosa are capitalizing on the socioeconomic conditions of

the general population, are turning the general population against the government because of the government's antinarcotics crusade.

The Sendero Luminosa is telling the peasants that they have been growing coca for hundreds, indeed, thousands of years, and now this government wants to take the little bit of sustenance you get from the sale of coca leaves away from you.

This certainly is provocating unrest, fear of violence, and indeed violence. As recently as Friday of last week, a noncommissioned officer in the Peruvian Government was machinegunned in downtown Lima, Peru. We had a bombing for which the Sendero Luminosa took credit at our American Embassy in Lima.

Senator DENTON. Excuse me, Mr. Lawn.

Senator Biden is so important to this subject for some reasons which I will give later.

But, Senator Biden, Mr. Lawn is discussing the diliterious situation in certain nations such as Peru, Colombia, Bolivia, and he began with, I think, Peru, mentioning that the terrorist group there is taking advantage of and stimulating the feeling among the peasants that the growth and sale of source drug material is their right and inciting them against their own governments and so on.

Go ahead.

Mr. LAWN. Yes, sir. In Bolivia, we have a country that is on strike. The major strength in the Bolivian Government, I believe, happens to be our U.S. Ambassador in Bolivia, Ambassador Ed Corr.

There is some little hope, I think, of future enforcement efforts. The antinarcotics units that have been trained are beginning to take hold.

Senator BIDEN. Excuse me. You say there is some little hope. You mean there is hope.

Mr. LAWN. I mean there is some little room for hope, Senator Biden.

Senator BIDEN. There is room for some hope?

Mr. LAWN. There is room for some hope, yes, sir.

But, again, I would not have said that 6 or 7 months ago. I think that we are seeing something of a change, however small, in Bolivia. I think that it is important that we keep our resources in Bolivia for that very reason. I do not think that abandoning Bolivia would, in the long term, serve us well.

Colombia, however, I see a very different story, where 4 years ago we talked about the volume of cocaine and the volume of marijuana coming from Colombia. During my recent visit to Bogota, we found that the government is, in fact, committed, that the government has made a new commitment, I think, beginning with the unfortunate death of the Minister of Justice Lara. They have committed themselves to the drug enforcement effort.

We can see, for example, in marijuana coming into the United States, there has been an 18-percent reduction in Colombian marijuana coming into the United States. As recently as 5 days ago, we met with General Delgado who expressed to us his continuing strong faith that the Colombian Government is going to continue their enforcement action. I asked General Delgado about the telecast that appeared on national television wherein a major cocaine trafficker appeared and talked about cocaine moneys being used

for terrorist purposes and that cocaine moneys were to be used to undermine the Government of the United States.

I asked about what we could expect from the Colombian Government. General Delgado assured me that within a very short timeframe that the Colombian Government would effect the arrest of that particular fugitive, Carlos Lehder.

In Mexico, as we discussed, Mexico had been a model country in the eradication program. With economic conditions in the recent past, we see an increase in heroin coming out of Mexico. We see increases in marijuana as well as heroin. But I think that once again we can anticipate in the future that we can look to Mexico for a return to the status that they once had as a model in the eradication program.

You had mentioned Nicaragua and Cuba. You certainly, Mr. Chairman, with your abiding interest in those areas, are aware that indictments were returned in 1982 against four individuals in the Cuban Government.

We have an ongoing investigation involving officials in Nicaragua. The indictment alleges in that case that an official of the Government of Nicaragua facilitated the transfer of shipments of cocaine from Colombia into the United States and gave the aircraft involved in those shipments safe haven and protection at a military base in Managua, Nicaragua.

In that particular investigation, some 1,500 pounds of cocaine entered the United States and was subsequently seized. So we do see areas of major difficulty, but we do see signs that successes are being made, specifically in Colombia.

Senator DENTON. I am not sure that Senator Biden is yet aware, but this is as good a point as any to inform him if he doesn't know, because I know, he will like it. Senator Thurmond as chairman of the Judiciary Committee suggested to Senator Lugar, the chairman of the Foreign Relations Committee, that we hold joint committee hearings now slated for late April, early May on the subject of terrorism and particularly on the subject of terrorism wedded to drugs which seems to be representing a force and trend in international affairs as well as a combination that is synergistic and new in terms of the confrontation with our judicial system.

So I look forward to working with Senator Biden because we will be asking and presenting much of the information. It is a task I hope we can participate in together in preparation therefor. Also with Senator Leahy, who has a position as vice chairman of the Intelligence Committee, and I think we can open eyes, not only our own but to some degree others.

With respect to the chaos, the threat to human happiness, threat to the security of this country and to freedom in this hemisphere that is being posed by the new combination of the drug Mafia families, the racketeers, the terrorists, and drug traffickers in general.

We have already linked Cuba as you said. We have Nicaraguan links. I believe we do not understand. We do not recognize the threat yet. We are not dealing with it as a nation yet, although we are involved in it.

It is a somewhat shocking experience to see Ambassador Tambs come out of Colombia a very frightened man, and to have the United States, not just having hostages taken in Iran because an

embassy is seized, but to have its drug enforcement agents murdered, its ambassadors intimidated, very understandably, and the United States not able to fly its flag or maintain its interest in the face of sheer racketeering and terrorism, now growing in effectiveness because of this drug threat.

Do you have any remarks on that, Senator Biden?

Senator BIDEN. Yes, I do. I was unaware that the joint hearings had been agreed to. I think that is very useful. I had written and spoken to Senator Lugar, the chairman of the Foreign Relations Committee, but we had been suggesting narcotics hearings, and I think the coordination effort is a very good idea.

May I ask a few questions?

Senator DENTON. Surely.

Senator BIDEN. What I would like to pursue with you, Mr. Lawn, is the area that the Senator has already begun, and if you are able, and you may not be in open hearing, but now or either later in executive session today or on Thursday, enumerate for us names of any terrorist organizations that you believe are specifically involved in and deal with international drug trafficking and using it as a means to finance terrorists operations. Are you able to do that in open hearings?

Mr. LAWN. Yes, Senator. I can certainly mention the names of those organizations. I believe Mr. Westrate on Thursday will be enumerating further on the involvement that we are aware of.

But certainly we know that the M-19 in Colombia is involved in at least the protection of the growing areas in Colombia. It was the M-19 that was granted an amnesty by President Betancur in the hopes of reuniting some of the diverse groups in Colombia. This amnesty will be coming to an end within the next 60 days.

Senator BIDEN. Can you for the record, for the public, tell us some of the terrorist activities outside of Colombia and outside of drug trafficking that the M-19 is involved in?

Mr. LAWN. The M-19 was involved with officials of the Government of Cuba who were indicted in 1982 in the United States. There was a major cocaine trafficker in Colombia who was working with Cuban officials receiving safe haven for cocaine shipments transitting Cuba to the United States. In return, Cuba was receiving hard currency and enabling the M-19 to receive arms shipments from Cuba into Colombia.

We are aware that in one case there was a ship that was sunk by the Colombian Navy and that ship was allegedly carrying 100 tons of arms for the M-19 in Colombia. That would be one of the example, I think, of what you want.

Senator BIDEN. In your opinion, Mr. Lawn, the objective of the M-19 is what? The overthrow of the Colombia Government, the protection of the avenues of trade to keep them open?

Mr. LAWN. The overthrow of the Colombian Government, yes, sir.

Senator BIDEN. Are there other organizations that you can enumerate?

Mr. LAWN. Yes, sir. We talked briefly before about one of the major Maoist groups in Peru, and this is the Sendero Luminosa. This particular group is using the moneys from cocaine trafficking

and the protection of cocaine traffickers to finance their undermining of the Government of Peru.

Senator BIDEN. How about any European-based terrorist groups or non-Western Hemisphere?

Senator DENTON. Excuse me, Senator Biden. Would you yield for one question?

Senator BIDEN. Sure.

Senator DENTON. The description of the Sendero Luminosa may be accurate in the philosophical sense, that is, that they are Maoist, but I think it is clear that the Soviet aims in that area are not being opposed by them and indeed seem to be paralleled by them, which is not the case with respect to Maoist groups and Soviet-type terrorist groups in other parts of the world. But can you confirm that they seem to be following and getting along with the programs which the Cubans and the Soviets seem to be pushing in Central America?

Mr. LAWN. No, I am sorry, Mr. Chairman, I have no additional information. I will be happy to furnish whatever additional information we have for the record.

Senator DENTON. We will discuss that during the closed hearing on Thursday.

Mr. LAWN. Thank you.

Senator BIDEN. Back to the issue of European-based terrorist groups. Can you tell us about any of those?

I guess what I am trying to get at here is that there is no doubt in my mind that where there is money of the magnitudes involved in the drug trades, and the incredible networking that is involved in all parts of the world, that it presents phenomenal opportunities for terrorists organizations and it presents phenomenal opportunities for foreign governments that wish to cause trouble for the United States or Western democracies. But for the sake of some clarity, I wonder if you can distinguish for us the nature of terrorists groups that we talk about?

Let me be more specific.

A group that has as its objective the desire to increase the drug trafficking for purposes of the profit involved in the drug trafficking may employ and does employ terrorist tactics and could be, in the normal parlance, called a terrorist group.

A group that has as its objective the overthrow of a government because that government is, in fact, attacking its means of revenue—the drug trade—can be a terrorist group, also.

A terrorist group in the way that we generally speak about it—here in the Senate and I think in the public at large—is a group that has an ideological bent that is designed to—through terrorist activities—bring about a political change or alteration and use narcotics as a tool to carry out this overthrow.

In my view, based on 8 years with the Intelligence Committee, some of the terrorist organizations would just as happily take the money from drug trafficking or the banking community or a rich uncle. They would not care where the money came from in order to be able to undermine through the use of force and terrorism.

And so, when we talk about terrorist groups, it is useful for us in order to know what is at stake here, to determine whether the primary objective in the opinion of DEA is the furtherance of drug

trade, for what the drug trade is all about—money. Or whether their primary purpose is the overthrow of a government to put a new regime in that is aligned with the Soviet Union, or has any alignment whatever.

Mr. LAWN. Yes, sir.

Senator, we have no direct information that there is a terrorist group whose ideological purpose is the overthrow of the Government of the United States.

There are many terrorist groups throughout the world who, as you indicated, facilitate trafficking in order to develop the hard currency necessary for their ideological purposes.

It was because of my belief that there were no such groups, that I watched with, indeed awe, the interview of the Colombian cocaine trafficker, Carlos Lehder, because in a half-hour interview he talked in terms of cocaine being the atomic bomb to be used against Yankee Imperialism.

I asked General Delgado of Colombia about this several days ago, and he said that these were the rantings of a cocaine addict. That this was not any ideological weapon. Cocaine was not the weapon to be used against the United States. That this was just the rantings of a demented individual.

Senator BIDEN. Let me tell you what one Senator's view of that interview was. And I know that it is more gut reaction than anything else.

It seems to me that when you are trying to marshal in an orderly fashion a cash crop of significance, whether it is wheat or cocaine or whatever it is, there are two important things one can do. First, in order to align the people of that country with you, you can make the argument that your primary objective is not to feather your own nest and make money. The primary objective is to facilitate peoples' right to live—make a living. That is why it is so difficult, I believe, in Bolivia and all other countries, because the drug supplier can make the argument in stagnant economies that the U.S. Government is really trying to deprive the people of their ability to feed their child by eradicating this crop, this cash crop.

The second argument that can be made, it seems to me, is that the trafficker is doing this for the greater good of taking on what is always a rallying point in Latin America—Yankee Imperialism.

And so, I think it is important we spend a little more time—this is not a criticism—of really nailing down the degree to which what is the cause and what is the effect.

Let me put it another way. If tomorrow the Soviet Union, through an internal report that was intercepted, had the following conclusion: We, the Soviet Socialist Republic, have, in fact, made a major inroad into alcoholism in this country. We have cut it by 75 percent and productivity is up by 19 percent and we are on our way to solving alcoholism.

In all honesty, there is not a lot of people in this country that would go, hooray, that is wonderful, because we know that if they have increased their productive capability they become a greater competitor in the one area, the only area they can compete, which is militarily.

Conversely, if the report, an internal report by the KGB, the new Soviet leader said: Mr. Chairman, we are in deep trouble. Produc-

tivity is off 15 percent and we lose 400 million manhours per year because of alcoholism, that is up 75 percent, et cetera, et cetera.

There would be a lot of people in this country who would sit and say good. That diminishes the power of the evil empire, and I am not being facetious, to spread its evil, because they are consumed by their internal problems.

So that I think it is naive for us to suggest that the Soviets do not find glee, and would not do everything they could to encourage drug addiction in this country. But there is—in order for us to be able to deal with it and give you the legislative tools to deal with it—we need something more than the obvious and the obvious being, they are not going to go out of the way to stamp out drug abuse in the Western Hemisphere. So I am not going to take any more time now because other people have questions, but I am going to come back to you now and again, on other occasions to try to get some hard links between the drug trafficking and something more than accommodation by the Soviet Government or the Cuban Government.

And that is not to suggest that they are good guys and that they are not involved. They are bad guys and they are involved, and we have to deal with it. But the question is, if we can more precisely know. You may not know. It is a difficult thing to determine the degree to which there is direct involvement with terrorist groups and coordination of those terrorist groups with foreign powers, that would be of great assistance.

Senator DENTON. That was a very important statement, I believe, particularly the part that dealt with the distinctions employed to define the word "terrorism," and the importance of establishing or disestablishing the Soviet Union or any other power, from crime, as opposed to indirect or lethal, as he used the word, participation in a process.

But there is some more evidence that I think is relevant at this point. And I want to welcome the distinguished Senator from Vermont—the man we mentioned earlier as the vice chairman of the Intelligence Committee and a very valuable member of this subcommittee.

I want to express my appreciation that he was able to come this morning. And if he will permit me just to make one remark, Pat, before, because it follows on so closely on what Senator Biden was saying.

Mr. Lawn, it is important that you and Mr. Webster stay very close on the subject matter that has been brought up by Senator Biden, in order to attempt to allay any fear that I see a Communist under each rock. I do not believe that the Soviets are trying to sponsor terrorism in the United States right now, directly. That is my own belief, and it is not based on suspicion. I think that they would find it counterproductive. That is a conclusion. I think they would rather leave us for later.

But there are certain things that have been established by testimony and by proof which I think that I should bring up at this point. You have not mentioned the Colombian Revolutionary Armed Front, for example.

For the record, in Colombia, during March 1984, a major government seizure was effected of seven cocaine labs which also had

seven airstrips in Tranquilandia, in southeastern Colombia, near the Amazon area: $1.3 billion in cocaine was seized. That was the general assessment based on street value: $1.3 billion in one drug seizure, which happened to take place. How much we are missing, we do not know.

This installation, consisting of seven airstrips and seven cocaine labs, was guarded by the FARC, which is the Colombian Revolutionary Armed Forces, which, according to recently assassinated Justice Minister Lara, reaped, in 1983 alone, $100 million with which to buy weapons and equipment for its revolutionary activity.

The FARC is the armed wing of the Colombian Communist Party and is following the Moscow line.

Several weeks later, the army seized a huge laboratory operation under construction in Mitu, also in southeast Columbia near the Brazilian border, and this laboratory had accommodations for more than 100 people. And about 4 months ago, there was another seizure of a FARC-protected processing plant near Caqueta, and this seizure also included processed coke, cocaine.

The flow of events is significant, particularly to the members of this subcommittee, because if we do not understand it, how will others grasp its significance?

Two years ago it was difficult for this subcommittee to demonstrate that the Cuban Government was officially involved in facilitating drug traffic from Colombia to the United States. I do not know whether you know that, Mr. Lawn, but it was difficult for us.

And I was called a number of names, you know, seeing Reds under every rock. And both Mr. Mullen and Judge Webster were a little slow to agree. But it turned out that what we were saying was true. And in the final analysis they agreed.

In that investigation. which led us to some of these conclusions, a defector from the Cuban Government's Intelligence Service, a member of the DGI, who was station chief in London at the time, gave us some extremely important testimony, which was corroborated by others. He stated that the DGI, the Cuban intelligence agency, is generally run by the KGB, and in fact a Soviet colonel, Vadim Kotchergine, ran that service.

Now, I defer to Senator Leahy on some of these specifics, but there was a great deal of connection between the KGB and the DGI. The modus operandi seemed to include that the KGB and the Soviet Government would permit the DGI and the Cuban Government to undertake their adventures in this hemisphere, and help them, if the Cubans could establish that the No. 1 ultimate target of those activities was the United States.

Now, I am not saying something extravagant. These are his words. In other words, if you do something in Nicaragua, something in Colombia, something in Bolivia, something in Peru, OK, but you had better be able to show in some way that it is going to ultimately harm incrementally the United States, which is what we care about over here in Moscow.

That is in the hearing record, and I would be happy to furnish it to other members of the subcommittee. He is the kind of witness whom some in the media made fun of. When we were looking into the ANC in South Africa, we put a witness named Bartholmew Hlapane under heavy guard, beginning with his arrival in New

York, brought him here, and I was teased by some who implied that I was trying to attract attention.

When the witness returned to South Africa, he was killed, shortly after we published his testimony. He told me he would be killed, for testifying before this subcommittee. Moreover, his wife was also shot and killed by the ANC and his 16-year-old daughter was shot and paralyzed. So, we are not trying to be dramatic here, we are just trying to bring out some facts that seem to be, for some reason, unpopular. None of them were particularly well publicized and I would like to see that occur. If the evidence is not true, then let us disqualify it. If it is true, let us take the findings into account as we attempt to make complex decisions on foreign policy.

But the situation changed so much that after we had finally established that Castro's government was assisting the Marxist groups in Colombia by bartering arms back for drug money, Ambassador Lewis Tambs told me, before he went to Colombia, that those activities have been overtaken by events. It is not like that anymore. He said, look at this money that the FARC got out of this one deal down in Colombia. They have got money coming out of their ears now, right in the countries where they operate, as a result of their extortions of the drug Mafia.

In other words, they have got so much money to buy arms, they do not have enough hands to put them in right now. And the thing that is significant about that to me is, that with millions of dollars going to one of four Communist groups in one country down there, how can we argue for 3 years about sending 141 million dollars' worth of aid to some nation that is obviously just trying to survive against that kind of an onslaught, I certainly find that anomalous.

I certainly agree with Senator Biden's important emphasis on the need to distinguish between that which is inspired by a major power and that in which the same power takes secret delight.

I agree with that. I think that we might, this subcommittee particularly, develop a less narrow definition of terrorism.

To me, and this is the way I would try to suggest that your thoughts follow, terrorism can go all the way from a bloc government system in Managua, by which a child is intimidated into reporting on his or her parents, the way that it exists in the Soviet Union, to ballistic missles aimed at this country with the purpose of politically intimidating us into giving up our rights.

And I admit that is a wild stretch, but I believe that terrorism, in the sense of its being intimidation or actual application of force, to achieve political purpose is the modus operandi, which defies our Judeo-Christian thought processes.

I will now defer to Senator Leahy.

OPENING STATEMENT OF HON. PATRICK J. LEAHY, A U.S. SENATOR FROM THE STATE OF VERMONT

Senator LEAHY. Thank you, Mr. Chairman.

And I share the chairman's concern about terrorism. When I became vice chairman of the Intelligence Committee, I stated that one of the two foremost issues that the committee should put on its agenda should be terrorism and what this country is doing to combat terrorism.

Here we are, the greatest military power in the world, the wealthiest nation in the world, and certainly in my estimation, by far, the best nation in the world, but we find that we are able to be pushed out of a country, Lebanon, by a couple of terrorists driving a vehicle full of high explosives.

Two or three people with car bombs forced us out of that country—terrorists. We see the seige that a lot of our NATO allies are put under, in Europe, by terrorists.

And we have to be concerned, and I would go into this in a little more detail, if we were not in an open session, about how we can maintain ourselves as an open society and can combat that.

Now, I also agree with the chairman that terrorism can take different forms. I also feel that the point made by Senator Biden is a very good one, that we have to look at the drug problem, to what extent it is manipulated by superpowers, or powers inimical to us, or to what extent is it looked at gleefully by them?

In any event, the damage to our society is one that I think everybody agrees on. I spent a third of my adult life in law enforcement, and when I left that 10 years ago, almost 11 years ago now, I thought that the drug problem was bad. I served on a national commission of prosecutors to review drug-related crime and what law enforcement effort from the Federal to the State to the local level was needed to fight against it.

I thought that it was pretty darn scary. And now I read your reports and I look at the reports in the open press. I talk to prosecutors, I get my intelligence reports. It is unbelievable the difference in a decade in what we face. I made a statement the other day, that either we have got to start looking very carefully at some of the places where we send foreign aid, and whether these countries are going to do more to cut down on their exporting of drugs to the United States.

And in that regard, as some of these votes are coming up, Mr. Lawn, I may want to call you directly and just get your views, on cutting off aid. I realize that can be a double-edged sword, but I must admit that there is going to be a heck of a sense of frustration by both Democrats and Republicans on the floor of the Senate if some of these foreign aid matters come up and we see money going to countries that do not seem to care what they do to us here in the United States.

Now, I know that on your—and also if I might, Mr. Chairman, put my whole statement in the record.

Senator DENTON. Without objection, it will be so included.

[The prepared statement of Senator Leahy follows:]

PREPARED STATEMENT OF SENATOR PATRICK LEAHY

Just a few years ago the letters "D-E-A" would not have meant any more to most Americans than hundreds of other Washington-coined abbreviations.

Today the Drug Enforcement Agency is uppermost in the public mind as a front-line fighter against addictions, violence, corruption, and even the erosion of the bonds that make democracy work around the world.

I am eager to hear what the Acting Administrator has to tell us this morning because of how vital the work of this agency is and how uncertain we are that it is prevailing in its most important war.

As its seizures increase annually, so does the volume of drugs reaching our shores.

As the number of traffickers indicted and convicted goes up, so does the number of dealers and pushers in our streets, schools, and workplaces.

As we eradicate more and more acreage of marijuana here and abroad, even greater acreage seems to spring into production.

So we not only have to ask Mr. Lawn hard questions about his agency's funding and performance, but we have to also ask when the successes that DEA has achieved statistically will begin to mean an ebb in the virtual flood of drugs from overseas.

If DEA is doing the job, and we are still losing the war, what more do we need to do to start winning?

Senator LEAHY. Mr. Lawn, I noticed on page 5 of your statement, that top echelon of class 1 arrests have increased about 40 percent since 1980. Cocaine removal is up 380 percent. Marijuana seizures increased 270 percent. And heroin seized increased 80 percent.

And that is highly commendable. The question, of course, comes, what is the availability on the street? Have we actually lessened the availability of drugs in the market place here in the United States?

Mr. LAWN. Senator, I think that is a very difficult question to answer in that while we have a 282-percent increase in the quantity of kilos that have been seized in the past 4 years, cocaine is readily available throughout the cities of the United States.

Senator LEAHY. In fact, your submittal says that the price has actually dropped slightly.

Mr. LAWN. No, sir. The price of cocaine has increased. For example, in the recent past, in Miami, a kilo of cocaine could be purchased for from $16,000 to $20,000. And now, the price is up from $32,000 to $36,000. We think that while cocaine is readily available, it has been stockpiled. We attribute the increased cost, as a matter of fact, to this chemical control program, which I addressed earlier in my statement.

The ChemCon program has been most effective in that it has forced the cocaine traffickers to now deliver a product of cocaine paste, instead of cocaine hydrochloride. When a 55-gallon drum of ethyl ether a year ago would sell in Colombia for $180, it is now from $8,000 to $10,000 for the same 55-gallon drum. Because of the difficulties that the traffickers are having in getting that product for the final process, we now find refineries increasing in the United States.

That is the bad news. The good news is that it is certainly much easier for the Drug Enforcement Administration, for the Federal Bureau of Investigation to take on investigative activity against refineries within the United States, without having to depend upon a host country.

We see a decline in marijuana use among our youngsters for the fourth year. That is a very positive sign, because Dr. Bill Pollen, of the National Institute of Drug Abuse, has told us that there is an evolutionary process in marijuana use. That the marijuana user of today, 5 years from now, will be the cocaine user. So, we do see progress in marijuana.

We see heroin use stabilizing.

Senator LEAHY. We are not in a situation where they have gone from marijuana to cocaine, and that is why there is lessening of marijuana usage. I do not ask that facetiously. I just want to make sure.

Mr. LAWN. No, sir. I would not bridge that.

Senator LEAHY. In other words, you say that marijuana usage is declining down to use of no controlled substance?

Mr. LAWN. Yes, sir, and therefore, we can anticipate, if the cycle that NIDA indicates can be proven, if that cycle is, in fact, an accurate cycle, that 5 years from now there will be fewer people using cocaine because there are, in fact, fewer people using marijuana.

We see for the first time, indeed, a national effort. People are not now saying we have a drug problem; DEA take care of the problem. We have 4,000 citizen groups around the United States, parent groups, saying we have had enough. We have the Congress saying we have had enough.

I think that what we are seeing is the battleline drawn, and all of us, the American Government, the most powerful government in the world, saying, we will have no more of this.

When we talk in terms of, for example, the resources of the Drug Enforcement Administration, I was very pleased to be at a graduation in December 1984 where we reached the highest complement of special agents that DEA has ever had. I think we reached a complement of just over 2,210 agents. 2,210 agents was the number of agents we had on the street 10 years ago when you mentioned leaving law enforcement.

Senator LEAHY. I wonder, though, if we are still making the kind of impact we want. You talked of the increased seizures and increased cooperation in Central and South America, and I do not doubt those figures at all. I know how much effort has been placed down there.

But then we look at certain recent events and we have to question that. Here we are a powerful nation. Two major countries on our borders, north and south. I guess the longest unguarded frontier in the world, certainly of any major power. The Canadian one north. The Mexican one to the south.

Yet yesterday, I read in the Post about a tale of near desparation among the DEA agents in Mexico. They feel that the power of the drug lords, the corruption of the major officials, police and political officials, and the impotence of our own Government combine to make life impossible for U.S. enforcers.

I wonder how you can even ask a DEA agent to go down there. Obviously we are going to, but it looks like Mexico said, OK, you can come on down, but if you guys ever start accomplishing anything, we will kill you; we will get rid of you, and we do not care. We are not afraid of you. We are not concerned about you, and we will just do whatever we want if it works within our own corrupt system, and the hell with what that might do to the people in the United States. The hell with what that might do to our close ally to the north or whatever.

Now, do we really not have a crisis in our operations in Mexico? Are we not really in a situation where we are failing to reduce the system of growers and traffickers?

Mr. LAWN. I think the current situation as you describe it is critical. The situation which was engendered by the abduction and the ultimate death of Special Agent Camarena. However, we have been able to work, and we have been able to work successfully in Mexico.

I have talked to our agents in Mexico. They do believe that we will be able to work successfully again. We have spoken out about the inertia that we saw in their enforcement of trying to determine what happened to our special agent, and now we are hearing about the corruption factor that was, indeed, behind the abduction of this special agent. But we still feel that when this is over, we will be able to work with Mexico again.

Senator LEAHY. Well, I hope so, because that becomes a cancer in and of itself. If other countries see Mexico getting away with it, and I realize we are talking about different scales. We are talking about degrees of corruption in government. But I mean, if Colombia sees that, sees Mexico getting away with it, why are they going to worry? Bolivia sees it, why are they going to worry?

Believe me, I am saying exactly the same thing in a lot of other committees. It is not just here. In the Appropriations Committee, I am saying to the Department of Defense, why are you not making more of your own assets available, whether they are AWACS or the equivalent of it. I am saying in the Intelligence Committee and I am saying it everywhere else that I have involvement, and believe me, I also serve on the Agriculture Committee, and there is an aspect there that I am going to be talking about it, too.

But we have got to do more. Let me ask you just one last question, if I might. When Attorney General Smith left last month he said one of his great accomplishments was the merger of the DEA and the FBI, and I had somebody from DEA express some surprise about that and said they were not aware of the merger. What happened?

Mr. LAWN. In January of 1982, the then Attorney General Smith announced that the FBI was to be given concurrent jurisdiction. We have developed and are continuing to develop a close working relationship with the FBI, but the Drug Enforcement Administration remains autonomous. We still have our own rules for operations. Where we can, we try to work with the Bureau to make sure we are working under parallel rules. But we initiate our own policies. We do our own hiring. We do our own training.

There are areas where, for cost effectiveness, we try to comingle resources in order to initiate a better product. It was an important accomplishment for the Nation, because the Nation's most powerful Federal law enforcement agency prior to January of 1982 was not facing the Nation's biggest crime problem, and that was the drug problem.

Senator LEAHY. I agree.

Mr. LAWN. So we think it was a very important marriage.

Senator LEAHY. But you are not merged?

Mr. LAWN. No, sir, we are not merged. Or if we are, I do not know about it.

Senator LEAHY. I might say, Mr. Chairman, I would like to submit some questions, but I might, for the record, say I was rather proud of one thing. The other day I read an article about the fact that it has become almost a status symbol around here for people to be trailed around by all the security agents with their earplugs.

I get the impression that a number of these people that come up, if they came up here wearing their jogging shorts with their name and title stencilled across their forehead, nobody would pay any at-

tention to them, but it has become very much of a status symbol to walk around with bodyguards.

But I was pleased to see the comment made by one of your officials when somebody said that they were going to give you, in effect, special protection, he said, "We are law enforcement officers. Risk goes with the job, and we will protect ourselves." I am proud of you for that.

Mr. LAWN. Thank you very much, Senator.

Senator LEAHY. Thank you, Mr. Chairman.

Senator DENTON. Thank you, Senator Leahy. And I share your sentiments. By the way, before you leave, Senator Leahy, are you familiar with S. 531, which will establish a special operations wing of the Air Force Reserve to assist in detecting aircraft and vessels attempting to enter the United States illegally?

Senator LEAHY. You got me.

Senator DENTON. Well, you want to get on that bill. It provides for 16 P-3-type aircraft. Of course, the P-3 is flown by the Navy, but there are P-3 types which a special wing from the Air Force Reserve would fly and assist the Customs Service. Some of the planes, indeed, would be flown by Customs Service pilots, and I was going to ask Mr. Lawn if he agreed that this might be a helpful and cost-effective instrument.

Senator LEAHY. And I will check on that. I really think that we have so many facilities out here that we ought to be using. A lot of these planes fly over running nothing but computer simulations. I would much rather have them out there watching what flies up out of Central America and goes to a runway in northern Florida or Georgia or Texas or something like that, and give our guys a chance to be there to give a proper welcome to the people when they come in.

It is interesting you mentioned the reserve. I talked to a couple of reserve officers at different places I have been speaking, and they said we have guys that would do that and would feel they are really fulfilling a mission.

Senator DENTON. Yes, that might be a good approach because when we passed the Posse Comitatus amendments for the Navy to help, they were a little irked because it was not often that their convenience matched the others. But the reserve ought to be able to help.

I would think that Senator Leahy covered this question. But how would you assess the effect on morale, outlook within the DEA, of the assassination of Special Agent Enrique Carmarena? Do you see it as something that at this point inhibits ability to pursue investigations?

Mr. LAWN. No, Mr. Chairman, I do not. Specifically, if you are talking in terms of a prohibition on conducting investigations in Mexico, I think the overriding interest now of the Attorney General's Office in Mexico is to determine the five W's. The who, what, when, where and why of the abduction of Special Agent Camarena.

Because of this singular approach by the Government of Mexico, I do not believe that there will be any joint investigation within the immediate timeframe because of their efforts in the case of Special Agent Carmarena.

However, I do not think it has been an inhibiting factor on the men and women of the Drug Enforcement Administration throughout the world. While it has been a terrible tragedy, I think, in fact, as these type tragedies do, they bring the family closer together because they realize that we are concerned about our people, and that if one of our people happens to be threatened, or in this case happens to fall, that we, on a united front, will see to it that we determine what happened to the individual and why.

Senator DENTON. Can you give any feeling for the traffic, boat and air, to the gulf coast as opposed to south Florida? Has that relatively picked up or decreased? Has the gross picked up or decreased?

Mr. LAWN. Mr. Chairman, I do not have figures, but we can see by investigations that have been initiated since the beginning of the Vice President's Task Force in Florida, with the additional enforcement pressures brought to bear on Florida, and now with the 13th Organized Crime Drug Enforcement Task Force, there has been some diversion in the trafficking routes into the Gulf States.

Senator DENTON. What could you say to help us improve, either through this committee or others, legislation regarding the laundering of drug money. Would you review the recent cases? I realize that is not precisely within your mandate, but you must be aware of it. Please describe a typical money laundering operation for us.

Mr. LAWN. Yes, sir. In order to answer the second part of your question on describing a laundering operation, there was a major laundering operation in New York City in which an undercover agent from the Drug Enforcement Administration participated in this investigation as a bank official.

He was approached by an individual from South America and asked to launder first small quantities of money, and then large quantities of money through the bank.

The trafficker would bring money in paper bags initially, and then when the undercover agent advised that he was calling attention to himself, he then brought the money in luggage.

But the proceeds from the trafficking was of such a magnitude that at one point it was $1 million a day. The operation was ongoing. After the indictment stage, we seized all of the records of this individual, and we are currently working with the Federal Bureau of Investigation in going through these records in order to determine how that laundering operation worked, but it was a massive organization.

Senator DENTON. What shift in emphasis would you have us make in our drug programs? Should we commit more money to domestic versus foreign operations? How do you feel about that?

Mr. LAWN. I think our domestic program certainly is very important. Of our overall budget, about 71 percent of our overall budget goes into enforcement activities. I think our overseas operations are critical, however.

When the drugs arrive in the United States, we are the last bastion. This is not where the battle will be won. We can continue to investigate domestically, continue to increase our statistics in convictions, in arrests, in seizures, but unless we have a very proactive program in the source countries, we will not get the job done that we believe can be done.

Senator DENTON. Your 1986 budget shows a decrease of 22 positions and $2,225,000 in the areas of executive direction and control and administrative services. How do you see that adjustment affecting your overall mission?

Mr. LAWN. Mr. Chairman, we do not see that as a critical detriment to the work of the Drug Enforcement Administration. None of the 22 positions or the $2.2 million involved are special positions. These are positions from areas which, in keeping with the administration's desire that there be a 10-percent reduction, we felt this would be our area of least vulnerability.

We are taking nonagent personnel from areas like inspection, legal counsel, and public affairs, publications, areas that will not have a direct impact on our enforcement effort.

Senator DENTON. I observe you are increasing your diversion control activity by 65 percent in 1986, going from $17.3 million to $28.7 million. I speculate you are doing that in pursuance of the Comprehensive Crime Control Act of 1984. But what is your rationale for that increase in preference to some other areas, such as State and local assistance?

Mr. LAWN. As you say, Mr. Chairman, this is directly a result of the comprehensive crime bill of 1984 with the administrative revocation program in the diversion program. We see a critical need for additional nonagent positions in order to attack the major diversion problem which heretofore prior to the comprehensive crime bill was not being acted upon.

We will be hiring between 1985 and 1986 some 200 nonagents in order to effect this particular program.

Senator DENTON. Are you increasing or decreasing your assistance to State and local governments on the whole?

Mr. LAWN. Our State and local program is remaining constant. There is a perception, I think, Mr. Chairman, that we are reducing our role in the domestic eradication program, but, in fact, the moneys allocated for the domestic eradication program in 1986 is the same that we had allocated in 1985. The difference being in 1985 because of moneys that had to be spent by the State of California with the Olympics, we had to take an additional $800,000 from other operations to add to the domestic eradication program, which made our total expenditure last year an expenditure of $3.3 million, which was $800,000 in excess of the $2.5 million allocated for the eradication program.

Senator DENTON. I am going to ask one more question and then submit the rest in writing, requesting that you answer them promptly. This is a rather categorical question.

The Attorney General's annual report of the Organized Crime Drug Enforcement Task Force program of March 1984 states at the bottom of page 2: "Organized criminal ventures, narcotics trafficking crimes in particular, have not abated." Yet each year DEA requests and receives incremental increases in people and money until this year. Now, we have Customs, the OCDE, the FBI, the South Florida Task Force and others with the resources they have committed to the war on drugs.

I would just like your general statement off the top of your head about where we stand. Are we losing or winning, standing still? What are the most important trends? What will it take to improve?

The more significant moves you think that we could make to improve our progress? And lastly, how do you feel we should measure our success? What factors should best be used to measure success in your mission?

Mr. LAWN. Mr. Chairman, in reference to the first part of your question, are we winning or losing? We are definitely winning. We cannot say the battle is won. I think the battle is a long way from being won. I think, if I could put it into historical perspective, I think we are now looking at the end of 1942, where battles have been won, but the commitment of this Nation must continue if the war is to be won.

We now have the resources that we think at the present time are adequate to allow us to continue to move forward. These resources, however, will have to be enhanced in coming years if we can expect to attack this growing problem. I think we are having successes.

I think that our moving forward in the area of drug abuse education is an important step forward. While this endeavor is not funded, it is an endeavor that former Attorney General Smith described as being the most important initiative taken by the Department of Justice.

We cannot hope to win the battle solely by arrests and convictions. There must be a change in attitude in the people of the United States. We must change the perception that we are the largest drug-abusing nation in recorded history.

We see that we have initiated the programs to get this job done, but I do not believe that this job is one that can be supported by the faint of heart. I think it is one that is going to take us a lot of years to turn the tide, but I think it can be done. I think what we are seeing from Congress—what we are seeing from citizen groups around the country, from parent groups around the country—is the kind of support that it will take to get the job done.

Senator DENTON. What about drug use in the United States, which most of the media studies indicate is perhaps the best place to attack? Do you see cocaine use decreasing, for example, in the United States?

Mr. LAWN. No, sir, I do not. Mr. Chairman, I see cocaine use continuing to rise. Cocaine, in fact, is the drug of choice. Dr. Mark Gold initiated a program in the northeast 2 years ago where he founded a cocaine hotline for those cocaine abusers to call and get some type of diagnosis and some type of treatment.

He anticipated in the first year of his cocaine hotline that he would receive approximately 10,000 callers. He, in fact, over the first 18 months of the program received about 1,000 callers a day.

Cocaine abuse is a serious problem. It is a problem that we cannot ignore, and it is a problem that will continue unless we take the appropriate action necessary.

Senator DENTON. You have heard all the Senators, including this one, express admiration for the quality and courage of your effort; it may be a skeptical attitude that creates this statement. How can you say that we are winning if the use of cocaine is going up, if the extent of damage to the Government structures and social structures of other countries, who are friends of ours, or near us, continues to suffer. It is hard to get the feeling that we are really winning.

Mr. LAWN. Mr. Chairman, again, I can see through the young people in the United States, the individuals are turning away, are not using drugs in the quantity that their precedessors did. That is a very positive sign.

Senator DENTON. Is that not part of a generally conservative trend among our youth which is measured in other areas also?

Mr. LAWN. Hopefully it is, but I think it is more than that. I think, as I mentioned, this coaches program which we have initiated which, in the first year of activity, will touch 5.5 million youngsters.

This is a program wherein we train the coaches. The coaches then talk to the athletes under their tutelage. There is no stronger single role model in our secondary school system than the coaches.

The coaches, then, in turn, will ask their student athletes to exert peer pressure on their fellow students. This program has been a program that the coaches have overwhelmingly been calling for, overwhelmingly supportive of.

Six foreign countries have now asked us for the structure of these particular programs in order that they can start such a program within their own countries. I see a very positive trend coming from that.

Senator DENTON. Thank you very much, Mr. Acting Administrator, and gentlemen. We have learned a lot today. We will learn more at 1 p.m. on Thursday. You will receive written questions and we will ask that the written responses be returned within 10 days from the time you receive them.

[Response of Mr. Lawn to written questions of Senator Denton follows:]

Response of John C. Lawn
to Written Questions of Senator Denton

Senator Denton: How has the reorganization of DEA within the Department of Justice affected the performance of your mission?

Mr. Lawn: One of the many important drug law enforcement initiatives undertaken by this Administration was granting to the FBI concurrent jurisdiction with DEA to investigate violations of federal drug laws. DEA, however, remains an autonomous agency.

DEA/FBI coordination of targets and investigations has become routine in both the field and headquarters. The number of joint DEA/FBI investigations has steadily increased since concurrent jurisdiction was implemented in 1981. There were 789 at the end of the FY 1984--a 233 percent increase over FY 1982. Similarly, in FY 1984, there was a total of 391 narcotic-related title III investigations, of which 179 were conducted jointly by DEA and the FBI. This represents a 280 percent overall increase in the use of drug related Title III investigations and a 337 percent increase in the number conducted jointly between FY 1982 and 1984. FBI participation in drug enforcement has increased federal drug investigative resources by approximately 50 percent.

The FBI is developing and substantiating connections among drug trafficking groups and both traditional and non-traditional organized crime organizations. Its expertise in money laundering, public corruption cases, assistance with fugitive apprehension, and technoloby has augmented the success of DEA.

Senator Denton: Last year, Mr. Mullen mentioned before this Subcommittee that DEA was considering combining research programs with the FBI in the area of communications. What results have you had in this endeavor and in other fields of shared concern?

Mr. Lawn: A combined research program of DEA and FBI is under study. As indicated last year, co-location would not be possible until 1988 and there are indications that it may have to be later. We have many on-going coordinated activities under study to avoid duplication and generate efficiencies, and we have implemented a number in the past several years; the most crucial being the authorization for the FBI to have concurrent jurisdiction in drug investigations.

Some specific examples are:

- Joint investigations and Title III investigations.
- Joint planning issues proposed for Direction Webster's decision resulting in implementation of coordinated activities.
- Laboratory analysis of evidence--DEA does chemical examinations and FBI does criminalistics examinations.
- Co-location contract for transferred employees.
- Cross-training of agents in each Bureau.
- Vehicle purchases
- Preservation of tape recordings of consensual intercepts--now held until investigation is adjudicated.
- Exchange of supervisory special agents at Headquarters.

Senator Denton: Has the OCDE task force been successful in going after drug trafficking cartels?

Mr. Lawn: Yes. The second annual report of the Organized Crime Drug Enforcement Task Force Program has recently been released. As of December 31, 1984, 804 Task Force cases have been initiated, resulting in the indictment of 3,468 individuals. As of the same date, 1,408 individuals had been convicted and sentenced as a result of Task Force initiatives. Fines, seizures, and forfeitures of property and cash exceeded $219 million through the end of 1984. The seizure and subsequent removal of illicit drugs from the marketplace included 214 kilograms of heroin, 13,282 kilograms of cocaine, and 503,386 kilograms of marijuana. The data also point to a continued concentration on use of the Racketeering Influenced and Corrupt Organization (RICO) and Continuing Criminal Enterprise (CCE) statutes. Through the second year of operations, the Task Forces indicted 355 individuals under RICO and 211 under CCE. These impressive figures are evidence of an aggressive battle against drug-related organized crime.

Senator Denton: How much money do you plan to put into the eradication program for 1986?

Mr. Lawn: $2.5 million.

Senator Denton: Why are you reducing the program when it was so obviously successful in 1984?

Mr. Lawn: In terms of budget planning the $2.5 million in the FY 86 request is identical to the FY 84 program. However in 1984, DEA reprogrammed an additional $800,000 to assist California since that state had significant resources devoted to the Olympic games. We do not believe this additional assistance will be necessary in FY 86 to maintain the program at its present level.

Senator Denton: In 1983, you eradicated 4 million marijuana plants with $2.5 million in that program. You spent another $3.3 million in 1984, and eradicated 13 million plants! That is a remarkable increase in plants destroyed. How do you account for that?

Mr. Lawn: The increase in the number of plants eradicated during 1984 compared to 1983 is attributable to an increase in eradication efforts, manpower and financial, and refined reporting procedures as well an increase in public awareness and public participation in the overall drug abuse prevention program.

Of the cultivated plants eradicated in 1984, 27% were identified as sinsemilla with its usually high THC content.

In 1984, over 9,000,000 of the plants reported destroyed were of the low-potency, fibre-type cannabis which grows wild in many states. The Indiana State Police, in conjunction with the Indiana Farm Bureau, instituted an intensive two-month campaign designed to eradicate wildgrowing "ditch-weed", or "horse-weed" as it is known locally. Over 4,000,000 plants were destroyed in this effort, primarily by manual spraying with the herbicide 2, 4-D. Samples of this crop submitted to NIDA for analysis were analyzed at .17% THC content compared to a normal potency of 2-3% THC in cultivated cannabis from the same area.

In New Mexico, the regrowth of 55 acres of cannabis resulted in the destruction of approximately 200,000 plants. These had been partially destroyed in the 1982 eradication effort, and the land had been plowed under. In Oklahoma, over 350,000 plants

were discovered in a pasture area and destroyed. In Minnesota, the Department of Agronomy destroyed over 3,900,000 plants on 757 acres at an average of 5,000 plants per acre.

It is difficult to compare these statistics to those of 1983 inasmuch as no differentiation between fibre-type cannabis and drug-type cannabis was made in 1983. The 1985 program will be structured to obtain more precise data regarding these differences.

Eradication program efforts resulted in the sightings of 21,075 plots, including 2,553 plots on U.S. Forest Service lands. Of the total sighted, 91% were eradicated, including 64% of those plots sighted on Forest Service lands. In 1984, the median plot size was computed to be 128 plants per plot. This shows a continuing trend toward smaller cultivated plots.

Indoor growing operations accounted for an increased number of sightings and destructions in 22 states in 1984. Standard greenhouses, as well as converted residences, barns, basements, and attics were encountered. The northwestern United States reported the greatest number of indoor growing operations. Even the southern states from Virginia to Florida reported indoor cultivation being utilized in efforts to evade aerial detection. In 1984, 649 greenhouse/indoor operations were reported seized.

The manpower required to accomplish the physical destruction of cannabis sightings has been, and continues to be, one of the primary contributing factors toward the overall difficulty in eradication efforts. While it is recognized that increased intelligence regarding the domestic cannabis industry is a necessary component of the overall program, it is also understood that a labor-intensive effort is required to minimize the availability of domestically grown cannabis.

Eradication activities in 1984 resulted in the arrest of 4,941 individuals and the seizures of 1,424 weapons. This represents a 14 percent increase in arrests compared to 1983. More cases were prosecuted in the Federal Court system than reported in previous years. The increase in total prosecutions at both state/local and Federal levels seems to be attributable to the increase in the capabilities of state and local agencies to expend more time in the investigative phases of incidents of cultivation.

Senator Denton: What is the status of the use of paraquat or other herbicides in the eradication of marijuana?

Mr. Lawn: DEA is in the process of preparing an Environmental Impact Statement (EIS) on the possible environmental and health implications associated with the eradication of cannabis. Eradication methods being considered include manual, mechanical and herbicidal. This EIS will thoroughly review, research and analyze all possible environmental and health effects associated with cannabis eradication. Until the study is finished, it is premature to state what eradication method or methods DEA will utilize in its eradication program.

Senator Denton: What is the status of the latest Environmental Impact Study (EIS) concerning cannabis eradication on both Federal and non-federal lands?

Mr. Lawn: We expect that the EIS with respect to federal lands will be finalized by early summer of this year. Until then, DEA will continue to assist state and local officers in eradicating cannabis using manual eradication techniques. The draft of the EIS with respect to non-federal lands is presently being reviewed by the concerned agencies. We expect that this draft will be available for public comment in May, 1985.

Senator Denton: I have co-sponsored a bill, S. 531, which will establish a Special Operations Wing of the Air Force Reserve to assist in detecting aircraft and other vessels attempting to enter the United States illegally. This program provides for sixteen P-3 type aircraft, fourteen of which will be flown by U.S. Customs Service pilots. Do you believe this to be a helpful and cost effective instrument in the war against drugs?

Mr. Lawn: The proposal to create an Air Force Reserve air wing could measurably improve the U.S. Customs Service's ability to detect and intercept drug smugglers. Whether the additional effectiveness and added deterrence would seriously impede the drug traffickers is not known. However, I do believe the proposal merits examination.

Last October the Congress passed, and the President signed into law, the National Narcotics Act of 1984. This Act established a Cabinet-level Policy Board and designated the Attorney General chairman, to coordinate the national drug enforcement program through review of policy and resources. The interdiction initiative should be referred to the Attorney General and the Policy Board for their consideration in conjunction with existing policy and resources devoted to the National Drug Abuse Strategy.

Senator Denton: Recently, I have been hearing about "designer drugs." Would you please explain this term and tell us what impact such drugs will have on traditional drug use? I am particularly interested in knowing if these drugs could eventually put foreign drug traffickers out of business, and what kind of side effects may be expected.

Mr. Lawn: The term "designer drugs" refers to clandestinely produced, noncontrolled substances which are structurally and pharmacologically similar to controlled substances. The concept of producing analogs of controlled substances in an effort to circumvent the Controlled Substances Act is not new. In the past, clandestine labs have produced analogs of PCP and hallucinogenic amphetamines. However the application of this concept to the production of chemically and pharmacologically similar analogs of potent narcotic analgesics, which are used as heroin substitutes, has occurred only within the past five years on the West Coast.

At the present time, talk about designer drugs focuses around analogs of the Schedule II narcotic analgesics, fentanyl and meperidine. Both are produced synthetically and there are numerous variations of each which produce heroin or morphine-like effects. All of the identified fentanyl analogs are potent analgesics, some of which are up to 5000 times as powerful as morphine. The fentanyl analogs have a fast onset and short duration of action and produce a spectrum of morphine-like effects.

The degree of sophistication that is necessary to clandestinely produce a safe and effective drug along the type we are discussing, which could become a drug of choice on the street, is certainly not widely available today.

Currently, the "designer drug" phenomenon is confined to portions of California but the potential exists for the spread of these synthetic narcotic analogs to other sections of the country. DEA continually is monitoring the situation and will utilize its emergency scheduling authorities, which were contained in the Comprehensive Crime Control Act of 1984, when deemed appropriate.

Senator Denton: The narcotics bosses of Latin America have threatened to kill five U.S. officials for every drug dealer that

is extradicted to the U.S. What effect has this threat had on your agents, particularly those located in Latin America?

Mr. Lawn: DEA is taking very seriously the alleged threats on its employees. We have taken appropriate precautions throughout DEA and in particular in Latin America we are acting in coordination with the State Department. I won't elaborate on those precautions here but I can say that the security of our employees and their dependants is of paramount concern to DEA. Our employees have not waivered in their resolve to continue the performance of their duties.

Senator Denton: Mr. Lawn, if you had an unlimited budget, what programs would you increase, or what new programs would you initiate? In your opinion, would stronger programs be significantly instrumental in eliminating the illegal drug problem?

Mr. Lawn: I, of course, support the administration's decisions on the 1986 budget. I recognize the urgency of bringing the deficit under control. We will be able to operate at the current level.

In response to your specific inquiry I feel certain that additional investigative resources domestically and in foreign areas could be productively employed. The recent upsurge in terrorism and security threats needs to be met with upgraded facilities and sophisticated equipment, to which we are currently committing funds. We reprogrammed almost our entire equipment availability, except for car replacement, to current operations. We could immediately effectively apply additional monies for radios with voice privacy capability, replacement laboratory equipment, and technical investigative equipment.

Senator Denton: Through previous discussions with former Administrator Mullen, I am aware of long-standing deficiencies in the current system used to establish grade levels and compensation of DEA employees. Please elaborate on the status of this issue and provide your specific recommendations for resolution of any problems in this area.

Mr. Lawn: As most other agencies, DEA is subject to the personnel regulations applicable to administering Federal employment. The unique nature of DEA requires that all employees function at the peak of their ability, often performing tasks unlike any found in other sectors of the Federal service. Existing personnel requirements do not provide the flexibilities necessary to recruit, promote, assign, classify and properly compensate our employees or to motivate or discipline them. As the illicit drug traffic becomes more complex and the technical demands on DEA employees increase, management needs the flexibility to pay employees commensurate with the demands of their job and level of performance.

I can suggest several changes that would enhance management of DEA and increase the efficiencies of our operations. The changes that are greatly needed would require legislation which would authorize a DEA oriented compensation system designed to improve productivity and recognize employee contributions and creativity.

Currently, such agencies as the National Security Agency, Central Intelligence Agency, General Accounting Office, and several others are excluded from the Position Classification System and have authority to establish positions and pay their employees based on criteria that reflects the uniqueness of the

respective agency while maintaining equity within the organization itself. This authorization would require DEA to establish its own pay system within the parameters of the existing General Schedule much the same as other agencies which are currently exempt from the Position Classification System. It has been acknowledged that the job grading standards currently applicable to Federal positions do not appropriately address the majority of DEA positions. Efforts to obtain new or revised standards have been futile.

Additionally, this authorization would exclude DEA employees from the provisions of Performance Management and Recognition System and Federal Labor-Management relations in the same manner as such other agencies as the General Accounting Office, Central Intelligence Agency, National Secuity Agency and others that are exempt from these provisions by statute.

The current Performance Management and Recognition System has resulted in numerous cases of inequitable salary setting determinations within the Special Agent work force. Supervisory Special Agents, covered by the System, who are reassigned to non-supervisory positions are removed from coverage of the System. If such a reassignment occurs after the employee has received his merit pay rating but before the actual merit pay payment, the employee will not receive the merit pay increase which would have been provided for his/her rating. The ratings are for the work period of July through June and the actual merit pay increase, based on the rating, is not made until October. Anyone reassigned from a merit pay position prior to October will not receive a merit pay increase. This means that management is unnecessarily encumbered in the reassignment process by considering the impact of the action on the merit pay of individual employees. The PMRS has in effect begun to influence key personnel actions, such as reassignments, particularly during the heavy reassignment months of June, July, August and September when the workforce is more mobile and are more willing to make reassignments involving relocations.

In total, the current PMRS has too many inherent problems to fit into a fast moving work force such as that found in the Drug Enforcement Administration. The less than stable basis from which employees must anticipate their annual pay increase and the fact that the System unduly influences management's reassignment needs during the prime months for personnel moves make the merit pay system less than desirable.

There remains a substantial need to exclude DEA from the provisions of the Federal Labor-Management Relations Program in the same manner as the Federal Bureau of Investigation and other agencies. The programs that are initiated and carried out by DEA employees are of such national importance that they can not be jeopardized by labor-management disputes or contraints that hamper or delay policy decisions. Frequent DEA - FBI cooperation on major investigations require both agencies to maintain the flexibilities necessary to function under fast changing circumstances that must not be delayed by labor relations considerations. The reasons that provided for the exclusion of the FBI and other sensitive agencies from labor-management relations are the same that apply to DEA.

Since the beginning of the application of the Fair Labor Standards Act (FLSA) to the Federal sector, there has been considerable confusion among the work force due to the complexities of FLSA versus Title 5 pay regulations. The FLSA affects the pay of a small number of employees in DEA. The amount of additional pay these employees receive as a result of FLSA is minimal at best and requires an unreasonably complex administrative process which must be performed in conjunction with the provisions of Title 5 for pay for overtime, travel and training. Employees that currently receive the minimal amounts of pay generated by the provision of the FLSA are Special Agent Trainees during their first year of duty. Most of these agents

are promoted to the next grade level after one year and are no longer eligible for FLSA. Due to the unresolvable conflicts between the provisions of the FLSA and Title 5 USC pay regulations, extensive administrative controls must be maintained and reconciled to assure adherence with applicable regulations contained in the two totally different pay statutes.

Because of the conflicts between the two pay systems, the inherent complexities of FLSA, the burdensome administrative process involved in providing a minimal amount of pay benefits for a small number of Special Agent Trainees, exclusion from the FLSA would enhance and make for more uniform personnel practices in the Drug Enforcement Administration.

Senator DENTON. The subcommittee will meet again in closed session to further examine issues which could not be dealt with in this session on Thursday. This hearing is in recess until that time.

[Whereupon, at 11:45 a.m., the subcommittee recessed, to reconvene at 1 p.m., Thursday, March 28, 1985.]

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